

Tucson, Arizona

TRANSPORTATION



DOWNTOWN



GROWTH



GOOD

GOVERNMENT

ECONOMIC DEVELOPMENT



NEIGHBORHOODS

Adopted Biennial Budget Summary

Fiscal Years 2003 & 2004

Volume I



Tucson, Arizona

Adopted Biennial Budget

Fiscal Years 2003 & 2004

Presented July 1, 2002

CITY COUNCIL



HONORABLE
ROBERT E. WALKUP
MAYOR



JOSÉ J. IBARRA
WARD 1



CAROL W. WEST
WARD 2



KATHLEEN DUNBAR
WARD 3



SHIRLEY C. SCOTT
WARD 4



STEVE LEAL
WARD 5



FRED RONSTADT
WARD 6

CITY ADMINISTRATION



JAMES KEENE
CITY MANAGER

MIKE LETCHER
Deputy City Manager

LIZ RODRIGUEZ MILLER
Assistant City Manager

BENNY YOUNG
Assistant City Manager

TODD SANDER
Chief Information Officer

KAREN THORESON
Assistant City Manager



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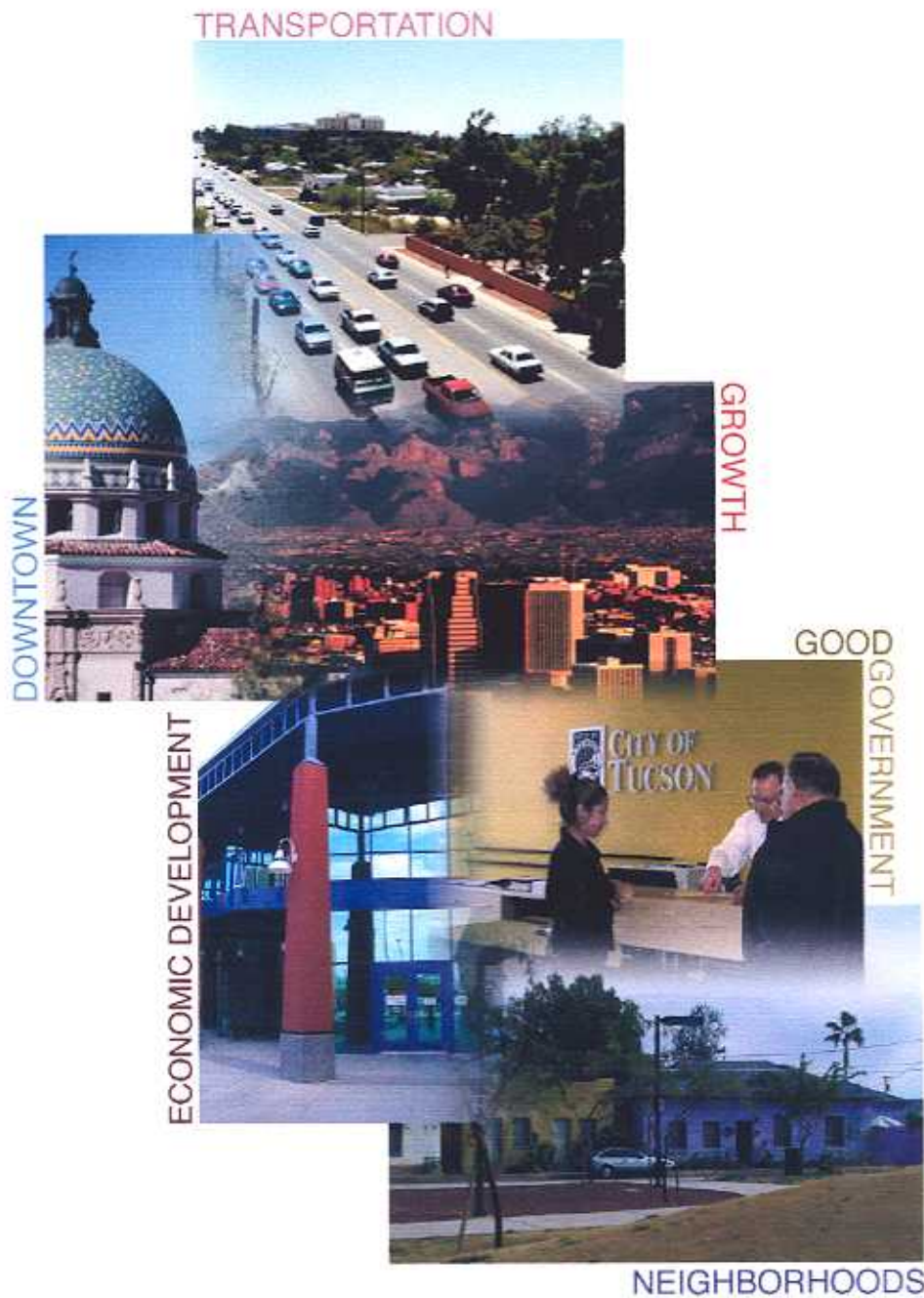
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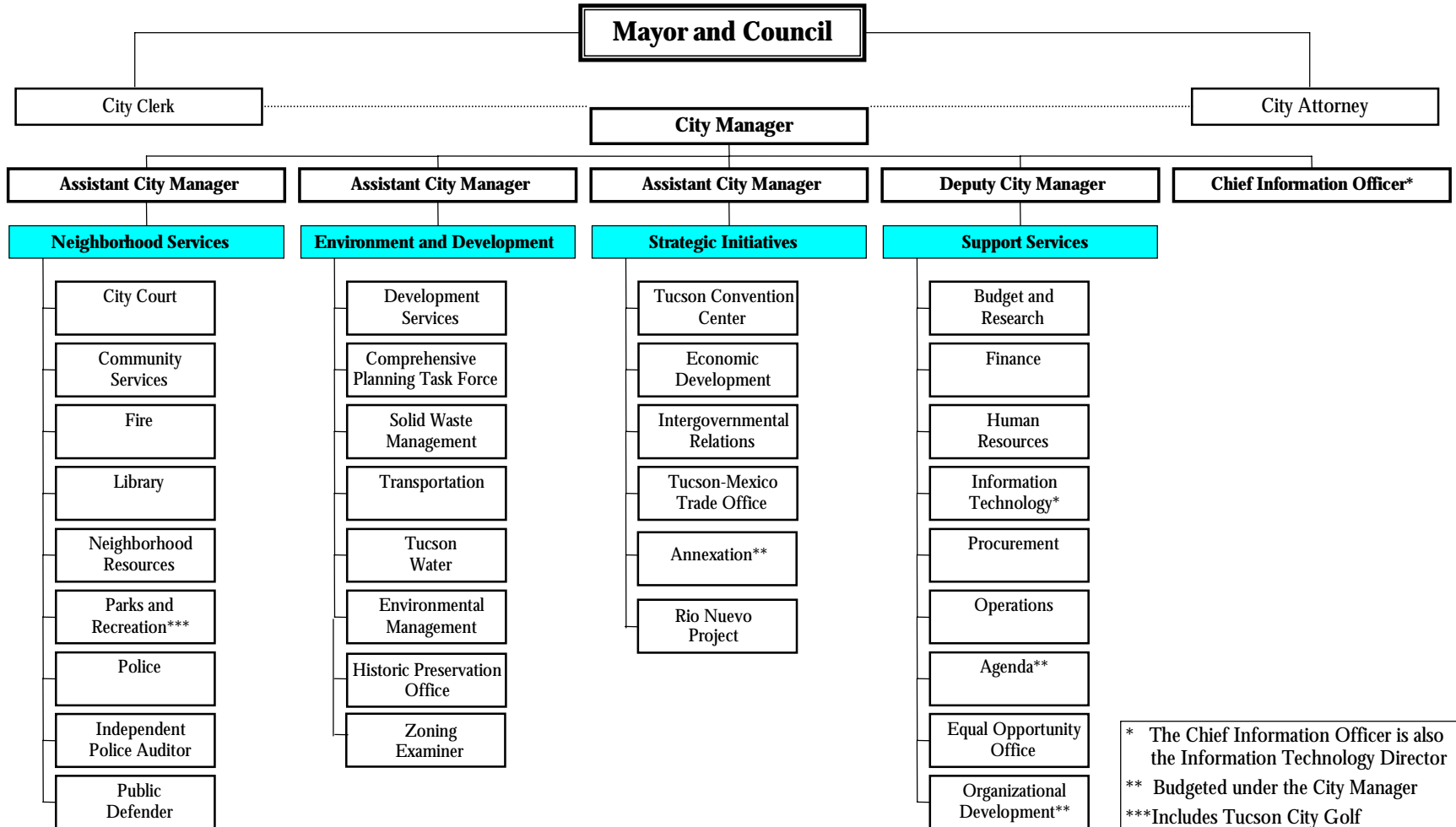
Tucson, Arizona



*Through cooperative leadership
provide the resources, expertise
and enduring spirit required to be
one of the top ten cities in America.*



CITY OF TUCSON ORGANIZATION CHART FISCAL YEARS 2003 and 2004



* The Chief Information Officer is also the Information Technology Director
 ** Budgeted under the City Manager
 ***Includes Tucson City Golf

CITY OF TUCSON

OFFICIALS AND DIRECTORS

OFFICIALS

City Manager, *James Keene*

Deputy City Manager, *Mike Letcher*

Assistant City Manager, *Liz R. Miller*

Assistant City Manager, *Benny J. Young*

Assistant City Manager, *Karen Thoreson*

Chief Information Officer, *Todd Sander*

City Attorney, *Michael House*

City Clerk, *Kathleen S. Detrick*

NEIGHBORHOOD SERVICES

City Court, *Michael Pollard*

Community Services, *M. Emily Nottingham, Acting*

Fire, *Dan Newburn*

Independent Police Auditor, *Liana Perez*

Library, *Agnes M. Griffen*

Neighborhood Resources, *Paul Swift*

Parks and Recreation, *Dan Felix*

Police, *Richard Miranda*

Public Defender, *Charles Davies*

ENVIRONMENT AND DEVELOPMENT

Comprehensive Planning Task Force,
Albert Elias

Development Services, *Ernie Duarte, Acting*

Environmental Management, *Karen Masbruch*

Historic Preservation Office, *Marty McCune*

Solid Waste Management, *Eliseo Garza*

Transportation, *Vacant*

Tucson Water, *David Modeer*

Zoning Examiner, *Peter Gavin*

STRATEGIC INITIATIVES

Annexation, *Alice Western*

Economic Development, *Kendall Bert*

Intergovernmental Relations, *C. Mary Okoye*

Rio Nuevo Project, *John S. Jones*

Tucson Convention Center, *Karen Thoreson, Acting*

Tucson-Mexico Trade Office, *Augustine Garcia*

SUPPORT SERVICES

Agenda, *Joan Stauch*

Budget and Research, *Ned Zolman*

Equal Opportunity Office, *Sylvia Campoy*

Finance, *Kay L. Gray*

Human Resources, *Suzanne Machain, Acting*

Information Technology, *Todd Sander*

Operations, *Ronald L. Meyerson*

Organizational Development,
Julie Edmonds-Mares

Procurement, *Wayne A. Casper*

BIENNIAL BUDGET CALENDAR FISCAL YEARS 2003 AND 2004

Sequence of events in the budget-setting process for Fiscal Years 2003 and 2004.

August 20, 2001	Staff begins five-year budget forecast and development of base budgets for Fiscal Years 2003 and 2004.
October 12, 2001	City Manager budget kick-off meeting with departments to discuss the budget process and base budgets for Fiscal Years 2003 and 2004.
November 13, 2001	Five-year capital improvement program requests submitted by departments to Budget and Research.
November 23, 2001	Operating budget requests submitted by departments to Budget and Research.
December 14-21, 2001	City Manager's preliminary capital budget review with Deputy or Assistant City Managers, department directors and staff, and Budget and Research.
December 17, 2001	Mayor and Council study session on the Fiscal Year 2002 First Quarter Financial Report and Budget Challenges for Fiscal Years 2003 and 2004.
December 26, 2001	Begin preparation and printing of capital improvement program document.
January 2-31, 2002	City Manager's operating budget review sessions with Deputy or Assistant City Managers, department directors and staff, and Budget and Research.
January 2-31, 2002	Complete preparation and printing of capital improvement program document.
January 14, 2002	Mayor and Council study session on the Trial Budget for Fiscal Years 2003 and 2004.
February 4, 2002	Begin preparation and printing of recommended budget document.
February 4, 2002	Submission of the City Manager's Proposed Five-Year Capital Improvement Program to Mayor and Council.
February 11 and 25, 2002	Capital improvement program study sessions with Mayor and Council.
February 25, 2002	Mayor and Council study session on the Citizens Bond Project Oversight Committee Report.
February 25, 2002	Mayor and Council study session on the Fiscal Year 2002 Second Quarter Financial Report.
March 4, 2002	Mayor and Council approve five-year capital improvement program.
April 5, 2002	Complete preparation and printing of recommended budget document.
April 15, 2002	Submission of the City Manager's Fiscal Years 2003 and 2004 Recommended Biennial Budget to Mayor and Council.
April 22, 2002	Public Hearing on Fiscal Years 2003 and 2004 Recommended Biennial Budget.

BIENNIAL BUDGET CALENDAR

FISCAL YEARS 2003 AND 2004

May 6, 2002	Mayor and Council study session on the Fiscal Year 2002 Third Quarter Financial Report.
May 13, 2002	Mayor and Council study session for the Environment and Development (Development Services, Comprehensive Planning Task Force, Solid Waste Management, Transportation, Tucson Water, Environmental Management, Historic Preservation Office, and Zoning Examiner) program category.
May 20, 2002	Mayor and Council study session for the Elected and Official (Mayor and Council, City Manager, City Clerk, and City Attorney), and Support Services (Budget and Research, Finance, Human Resources, Information Technology, Operations, and Procurement Departments, and Equal Opportunity Office) program categories.
June 3, 2002	Mayor and Council study session for the Neighborhood Services (City Court, Community Services, Fire, Library, Neighborhood Resources, Parks and Recreation, Tucson City Golf, and Police Departments, and Independent Auditor and Public Defender), Strategic Initiatives (Tucson Convention Center, Economic Development, Intergovernmental Relations, and Tucson-Mexico Trade Office), and Non-Departmental (General Expense, Outside Agencies, Debt Service, and Contingency Fund) program categories.
June 10, 2002	Mayor and Council wrap-up study session.
June 17, 2002	Fiscal Year 2003 tentative budget adoption.
July 1, 2002	Truth in Taxation Hearing on primary property tax levy for Fiscal Year 2003.
July 1, 2002	Public Hearing on Fiscal Year 2003 tentative budget.
July 1, 2002	Special Mayor and Council meeting for purpose of final budget adoption.
July 8, 2002	Adoption of Fiscal Year 2003 property tax levies.

HOW TO USE THIS BUDGET

This document guide outlines the City of Tucson's Fiscal Years 2003 and 2004 Adopted Biennial Budget which is contained in three volumes. Copies of the budget are available at all branches of the Tucson-Pima Public Library, the University of Arizona Main Library, Pima Community College branch libraries, the City Clerk's Office, and the Department of Budget and Research. Information may be obtained by calling the Department of Budget and Research at (520) 791-4551 or e-mailing the department at budget&research@ci.tucson.az.us.

Presenting the budget in these volumes allows users to select the level of information that meets their needs. Volume I, the Adopted Budget Summary, provides summary level information. Volume II, the Adopted Budget Operating Detail, provides detailed information on staffing and city services. Volume III, the Approved Five-Year Capital Improvement Program, provides detailed information on capital projects. Following are descriptions of the contents in each volume.

Volume I

City Manager's Message - This section includes the letter from the city manager transmitting the biennial budget to the Mayor and Council and an overview of the budget. In the transmittal letter, the city manager highlights the key policy issues and programs in the biennial budget. The overview includes the following:

- Total Budget Appropriations
- Revenues—Where the Money Comes From
- Expenditures—Where the Money Goes To
- Staffing
- Citizen Impacts

City Strategic Plan - This section summarizes the strategic plan for the city including focus areas and the 17 Livable Tucson Goals that emerged from community discussions.

Legal Authorization - State and local legal provisions are presented for the reader. The process for budget adoption, the setting of the property tax, a property tax summary, public hearings, and a summary of department expenditures are supplied.

Community Statistical Profile - This section of the summary provides the reader with demographic information on Tucson and benchmark information that compares Tucson to comparable cities in the region.

Summary Information - Schedules contained in this section provides summary level information on the consolidated (operating and capital) city budget. Expenditures and revenue information, descriptions of funds and fund balances, debt service information, staffing histories, and pay scales are summarized here. This section is particularly helpful if the reader is interested in an overview of the city budget.

Capital Budget Summary - This section provides a summary of the Approved Five-Year Capital Improvement Program.

Glossary - The glossary defines terms and acronyms used in the budget.

Index - The index provides an alphabetical listing of the contents of the budget.

Volume II

The Adopted Budget Operating Detail provides the detail for department budgets organized by major department groups. Each department section includes a mission statement, an overview of the department, department highlights, Livable Tucson Goals, department financial and personnel resources, funding summaries, a summary of significant changes that compare the Fiscal Year 2002 Adopted to the Fiscal Year 2003 Adopted Budget, and key measures of performance.

Appendix A: Position Resources by Classification - Appendix A presents, by department and division, the position resources for the Fiscal Year 2003 Adopted Budget and Fiscal Year 2004 Approved Budget, as well as the Fiscal Year 2002 Adopted and Estimated budgets, and Fiscal Year 2001 actual staffing. This section includes the detail by position and pay range for authorizations of both permanent and non-permanent classifications.

Appendix B: Financial Summary - Appendix B displays, by department and division, each organization's financial summary and character of expenditures (personal services, services, commodities, etc.). The information reflects the financial resources for the Fiscal Year 2003 Adopted Budget and Fiscal Year 2004 Approved Budget, as well as the Fiscal Year 2002 Adopted and Estimated budgets, and the Fiscal Year 2001 actual expenditures.

Volume III

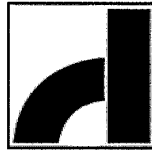
The Approved Five-Year Capital Improvement Program (CIP) contains the capital budget detail. This volume has two major sections: Overview and Department Programs.

Overview - The overview provides a description of the capital program and its impact on the community, including:

- Summary of Planned Expenditures and Funding
- Department Program Highlights
- Impact on the Operating Budget
- Outlook for Future Capital Budgets
- Summary Tables

Department Programs - In this section of the Approved CIP, each department's capital budget is presented. Within each department a program statement describes the highlights of the capital program. There are project and funding summaries by major program area. The reader can find the individual project detail in this section. Each project is described, and funding sources, project costs, and other project information (such as start and end dates, wards) are presented.

**DISTINGUISHED
BUDGET PRESENTATION
AWARD**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Tucson
Arizona**

For the Fiscal Year Beginning

July 1, 2001

Arnold A. Chuave
President

Jeffrey R. Emer
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Tucson for its Annual Budget for the Fiscal Year beginning July 1, 2001 through June 30, 2002.

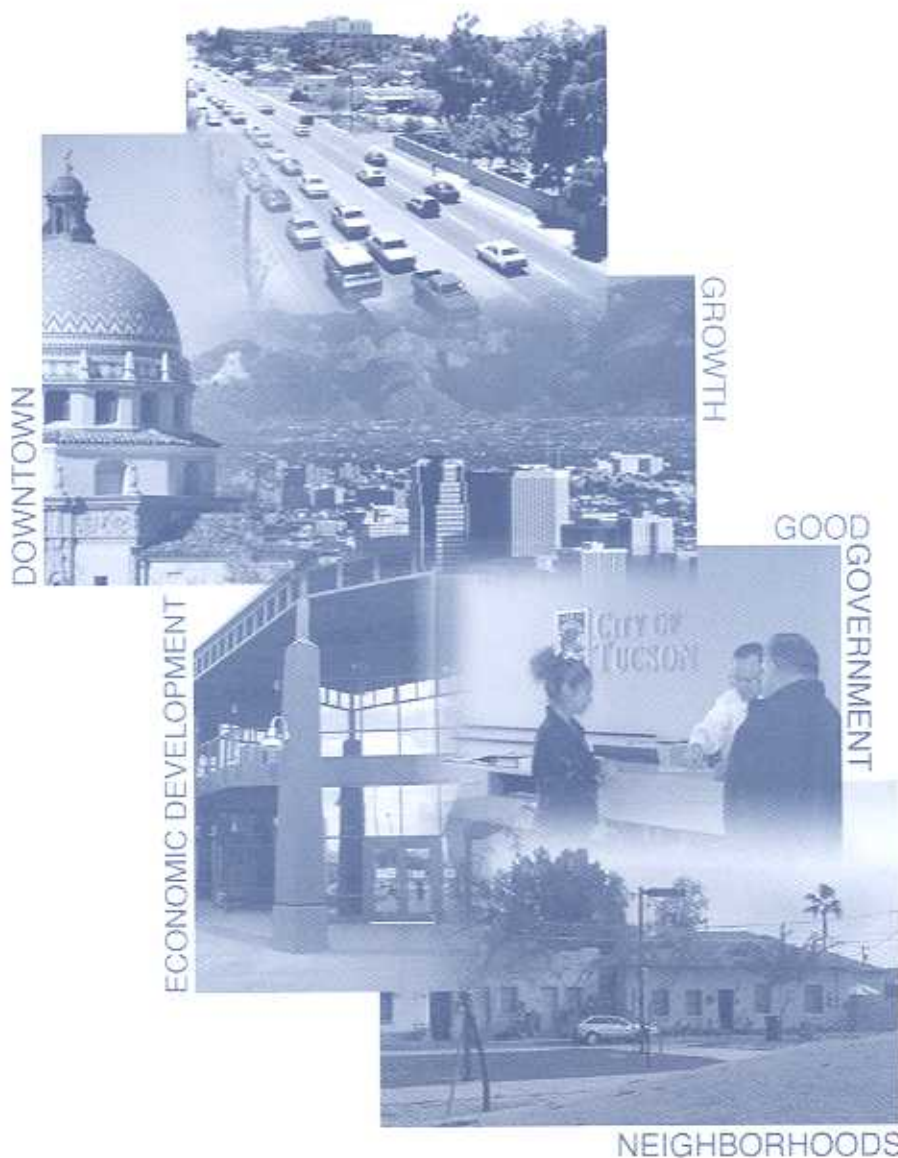
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Section A

City Manager's Message

TRANSPORTATION





CITY OF TUCSON

OFFICE OF THE CITY MANAGER

July 1, 2002

Honorable Mayor and Members of Council:

This past year has been a difficult year for the nation and our economy. Fortunately for the city, we began taking action early in the prior budget year to curtail spending and adjust revenue estimates so that we avoided a budget crises, unlike the state, and lessened the impact of the hard choices we faced in putting together the Biennial Budget for Fiscal Years 2003 and 2004. Nonetheless, this is a conservative budget that has held down spending in the face of rising costs and increasing population. This year, inflation (cost of services) was approximately 2%. In addition, every year another 10,000 people move into the City of Tucson. Combined with annual population growth, our budget growth needs to be 4% to keep service levels status quo.

The budget adopted by the Mayor and Council totals \$935.5 million for all funds for Fiscal Year 2003. This is an increase of 3.5% over last year's budget. The general purpose funds budget, which is the local tax supported portion of the budget, totals \$392.3 million, an increase of just 1.5%. The Fiscal Year 2003 Budget also reduces the size of the city work force by eliminating 96 positions. We were able to cut back those positions without layoffs because we began tightly managing the budget and imposed a hiring freeze during Fiscal Year 2002.

The adopted budget compares with a \$917.5 million budget proposed to the Mayor and Council in April 2002, including \$385.9 million of general purpose funds. Most of the increase approved for Fiscal Year 2003 is due to carryforward of \$13.2 million for all funds and \$3.4 million for general purpose funds. In addition, water bond funds were increased \$1.2 million and budgets funded with Highway User Revenue Funds were adjusted \$0.4 million. The primary changes to general purpose funds approved by the council are as follows:

- ◆ \$1 million for pay adjustments retroactive to February 2002
- ◆ \$1.2 million to maintain service in SunTran and VanTran
- ◆ \$0.4 million to maintain funding of various outside agencies
- ◆ \$0.3 million for a special election if required
- ◆ \$0.25 million for planning task force and growth consultant costs

The Mayor and Council made some difficult decisions in bringing the budget back into balance. A decrease to the property tax included in the proposed budget was not adopted, providing \$1.5 million to keep the budget in balance. Recognizing the importance of setting fees for city services consistent with the cost of those services, the following increases were adopted: \$300,000 for commercial refuse collection, \$200,000 for planning and zoning services, and \$900,000 in Parks and Recreation. Finally, spending controls provide a one-time source for balancing the Fiscal Year 2003 budget.

In addition, the Fiscal Years 2003 and 2004 Budget cuts we had to make because of the economic downturn were concentrated in the areas of Elected and Officials budgets, Support Services, and Strategic Initiatives. The Neighborhood Services area, which includes such essential services as Police and Fire, Parks and Libraries, actually has increases in its general purpose funds, growing by 8%. In the area of Police, we withheld funding for some positions but did not permanently eliminate them as we did in other department budgets. The general purpose funds budget for Police grows by more than 10% in the adopted budget.

There are reductions in the area of Environment and Development, but these are primarily concentrated in Solid Waste which has an 11% decrease from the Fiscal Year 2002. The good news here is that our budget predicament forced a review of our service delivery approach. Our move to the *Tucson Recycles* program, already approved by Council, will actually allow us to take this cut and improve service to our customers. Going to once a week regular garbage pick-up allows us to add weekly curbside recycling for our customers and improve our environmental performance.

The contributions to Outside Agencies are reduced by 10% this year with the exception of select agencies with significant economic benefits. While we recognize this can have some impact, cuts have also been taken across city departments. To enhance accountability of Outside Agencies, we have initiated a new system for allocating human service funding.

Acknowledging the critical need for comprehensive planning in our growing city, the Fiscal Years 2003 and 2004 Budget increases funding in the Comprehensive Planning Task Force, and includes \$350,000 for consultant assistance for important Council initiatives including the Houghton Corridor Master Plan, the cost of service element of the General Plan, and planning initiatives for the city core.

Finally, the adopted budget includes full year funding for both the classification and compensation recommendations of the Waters study for all city employees. For the first time, the city has established a pay plan that is based on keeping all employee wages competitive with the market on a consistent basis. The city's merit performance pay system is also funded and the budget includes \$1 million for increased pension costs at no cost to employees and funds a 15% increase in health care costs.

Reorganization for Better Service

As you know, the city budget is more than simply a balance sheet of income and expenses. Our purpose is to provide service to the community. We do that through what we fund and how we fund it. We also do that through how we are organized, how we work, what our work ethic is, and how creative and customer/citizen oriented we are. For that reason, this budget also reflects reorganizations of city staff and functions to begin to align our existing resources and community needs more directly.

Changes in Development Services and the creation of the new Department of Neighborhood Resources are some examples. Reorganization around Downtown and Rio Nuevo is ongoing. Also in response to the Council Strategic Plan, this budget also accommodates changes in planning, to commit to future focused planning in a major way. Creation of a Comprehensive Planning Task Force, with staff from a revamped Comprehensive Planning Department, Transportation, Finance and Budget, and service departments is underway.

Taxpayer Impact and Service Value

The adopted budget keeps funding in the right places. Police and Fire per capita spending for operations increases while per capita spending in all other operating budgets decrease to \$1,014, a 2% decrease from Fiscal Year 2002. Per capita spending figures correlate the size of the city budget with our population growth to show the relative size of government year to year.

The city "Bill for Services" for the typical homeowner also decreases. This is what a citizen would pay yearly in city property taxes and city sales tax and for their annual water bill. The property tax rate has been held constant, while the typical water bill only increased 1%. That "bill" increases from \$679.87 in Fiscal Year 2002 to \$682.27 for Fiscal Year 2003. Almost half of city residents also do not directly pay property taxes because they rent.

The city "Bill for Services" for Fiscal Year 2003 will cost the typical homeowner \$57 a month. For this, we will provide water, weekly trash pick-up and recycling, police and fire protection, and funding toward other city services such as parks, libraries, and mass transit.

Background-The Year in Review

When staff began work on this budget last August, it was clear that we would face a challenging year ahead. The sales tax, which is the main revenue source for the city, is highly dependent on the condition of the economy. We had reduced the projections for sales tax growth in Fiscal Year 2002 to a 4.3% increase. In recent years sales tax had been increasing 7-8% per year. After September 11, it became clear that even a 4.3% increase was too optimistic. We downgraded our growth estimate to less than 2% for the year.

As we looked ahead to the Fiscal Year 2003 budget year, we faced a \$45 million deficit. This is more than 10% of the total general purpose funds. Accordingly, we initiated a hiring freeze and departments were asked to manage expenditures tightly. We targeted saving \$10 million in Fiscal Year 2002 to help us get through this year and provide some cushion for next year, a target we will meet.

Of the \$45 million deficit, \$25 million was cut out of the Fiscal Year 2003 budget at the start of the budget process by disallowing any inflationary or cost of service increases, by deferring some planned capital and equipment replacement and maintenance, and by not funding planned contributions to the city's fiscal reserves. That left \$20 million remaining to be cut.

Future Shock: The Years Ahead

The Fiscal Year 2003 Budget is balanced. The Fiscal Year 2004 Budget still anticipates a \$10 million gap. Fiscal Year 2003 assumes that sales tax growth will increase back to a 4% level. This is twice the rate of the current year but significantly under the growth rate of the late 1990's. The Fiscal Year 2004 projections increase to 5%. I am cautious about Fiscal Year 2003 and am hopeful that we are underestimating Fiscal Year 2004. Should the economy really improve, better revenue streams will resolve the projected gap for Fiscal Year 2004.

The Mayor and Council adopt the Fiscal Years 2003 and 2004 Biennial Budget, but appropriate only the budget for Fiscal Year 2003. Fiscal Year 2004 is included to reduce the amount of redundant budget work staff departments do each year, to free up time for program evaluation and analysis to improve service, and to provide context and a planning framework beyond a single year horizon. This year, we will update revenue and expenditure projections, and Mayor and Council will adopt the Fiscal Year 2004 Budget and appropriations. For Fiscal Year 2004, the Council will still review the proposed budget and have the opportunity to make adjustments. The Mayor and Council have agreed to begin looking at options for eliminating the \$10 million Fiscal Year 2004 deficit in September 2002.

We have been able to adopt the Fiscal Years 2003 and 2004 Biennial Budget without tax increases and with limited new revenues from fee increases because we have cut back city services and deferred some important fiscal investments. Such deferrals cannot be sustained into the future. Fiscal reserves, in particular, have been drawn down to assist with getting the city through this challenging year. Fiscal reserves will total \$31 million by Fiscal Year 2004, a decline of 40% since Fiscal Year 2001. The Environmental Reserve Fund of almost \$29 million in Fiscal Year 2001 is reduced to \$11 million in Fiscal Year 2004. The Deferred Maintenance Reserve of \$6 million was reduced to \$3 million for Fiscal Year 2002 and does not grow in the adopted budget. The Strategic Reserve (which is the city's only real protection against unexpected expenditures or revenue downturns) should be \$27 million by Fiscal Year 2004 under Council policy. It remains frozen at \$17 million.

Also, if the state's financial condition deteriorates, cities are increasingly at risk if the state passes the solutions to its funding problems down to cities, either in the form of reductions in state-shared revenues or mandates for services without accompanying funding.

Full participation at the local level will also be crucial. Pima County's timely participation and payment of its share of library funding, for example, is essential to maintaining even current library service levels, let alone planning for future growth of the system, as our region grows. The city and county should mutually develop a master plan for library needs and funding for the years ahead.

In fact, planning for the future must become the *modus operandi* for the city in all venues. How much care and effort is applied to planning for future growth will determine not only the quality of our community but how we will pay for needed services. This is why the Fiscal Year 2003 Budget, even in a difficult year, focuses on planning in keeping with the Council's strategic plan direction to elevate comprehensive planning to the highest level.

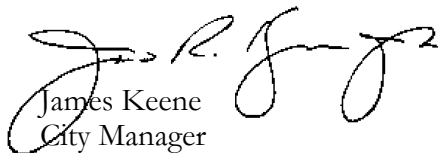
The same is true for our efforts in economic development. Continued improvement in the ability of our community to create wealth and provide jobs that pay well is critical to the city's ability to provide essential services. Ironically, that ability is affected by how well we provide services. Without quality essential services and quality of life, Tucson will not attract and retain businesses and jobs in our competitive, now global, economy. Public safety, transportation, parks and libraries, solid waste and water—if we don't take the lead in these arenas to solve problems and continually strive for better service, our city is put at great risk.

Conclusion

In a difficult economic year that results in smaller government, I believe that the budget you have adopted does honor the challenge of the future. While the cost of city government per capita is lower and we have fewer employees, this budget still focuses on being responsive to the Council's Strategic Plan and to *protecting core services*—Police and Fire, Parks and Libraries, Transportation, and Solid Waste.

We have tried to put together a budget that is responsive to the times and your directives—to function more as a business would and to be respectful of the financial burdens being carried by many of our citizens.

Respectfully submitted,


James Keene
City Manager

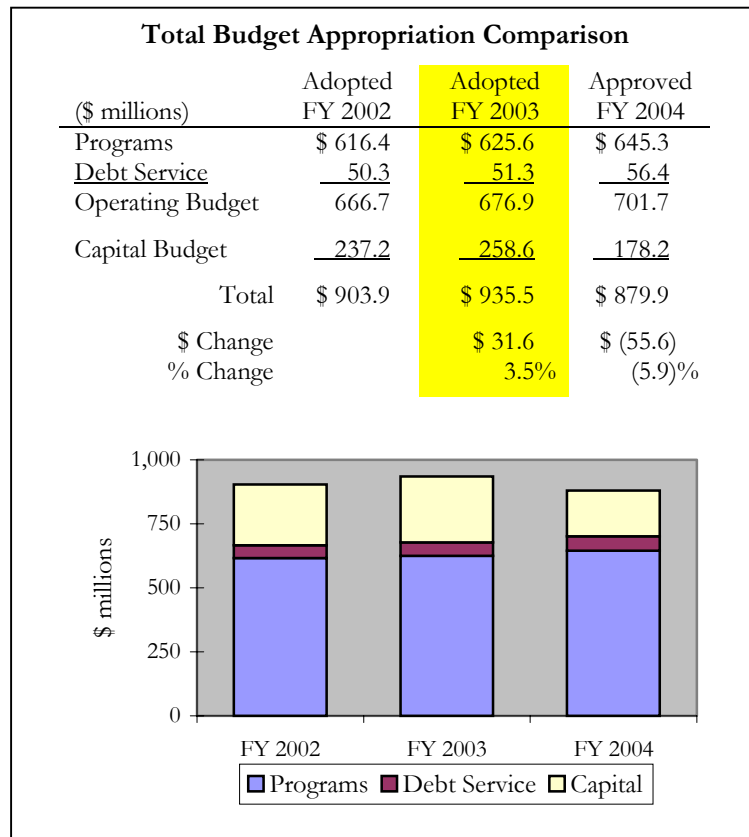
BUDGET OVERVIEW

The Tucson City Charter requires that the City Manager submit a recommended budget to the Mayor and Council on or before the first Monday in May for the following fiscal year. The Mayor and Council review the City Manager's recommended budget and are required by Arizona state law to adopt a balanced budget on or before the third Monday in August. For Fiscal Year 2003, the Mayor and Council adopted the budget on July 1.

The following Budget Overview is focused on the Fiscal Year 2003 Adopted Budget and is organized as follows: Total Budget Appropriations, All Funds Budget, General Purpose Funds Budget, Restricted Funds Budget, Staffing, and Citizen Impacts. As the second year of the biennial budget, Fiscal Year 2004 is shown as tentatively approved. While the Fiscal Year 2003 Adopted Budget is balanced (revenues equal expenditures), the Fiscal Year 2004 Approved Budget currently has a deficit of \$10 million. During the next budget cycle, the revenues for Fiscal Year 2004 will be updated and adjustments made to expenditures as needed to bring the budget into balance.

TOTAL BUDGET APPROPRIATIONS

The City of Tucson's budget is comprised of two elements: the operating budget, which contains department programs and debt service, and the capital budget.



The total budget appropriations for Fiscal Year 2003 increased by \$31.6 million or 3.5%, from \$903.9 million in Fiscal Year 2002 to \$935.5 million. That increase is primarily due to employee compensation plan adjustments and capital expenditures.

Expenditures for department programs increase by \$9.2 million or 1.5%, from the \$616.4 million adopted in Fiscal Year 2002 to \$625.6 million. The Fiscal Year 2003 increase of only 1.5% in program appropriations is despite combined population and inflation growth of approximately 4%. By reorganizing work and applying technology, staff has been able to realize operational efficiencies and slow the growth of city government.

The Fiscal Year 2003 budget assumes the deferral of equipment and vehicle replacements, and building maintenance needs. These deferrals, along with the operating budget impact of completed capital projects and employee salary adjustments to keep our workforce competitive, are responsible for the projected increase to \$645.3 million in

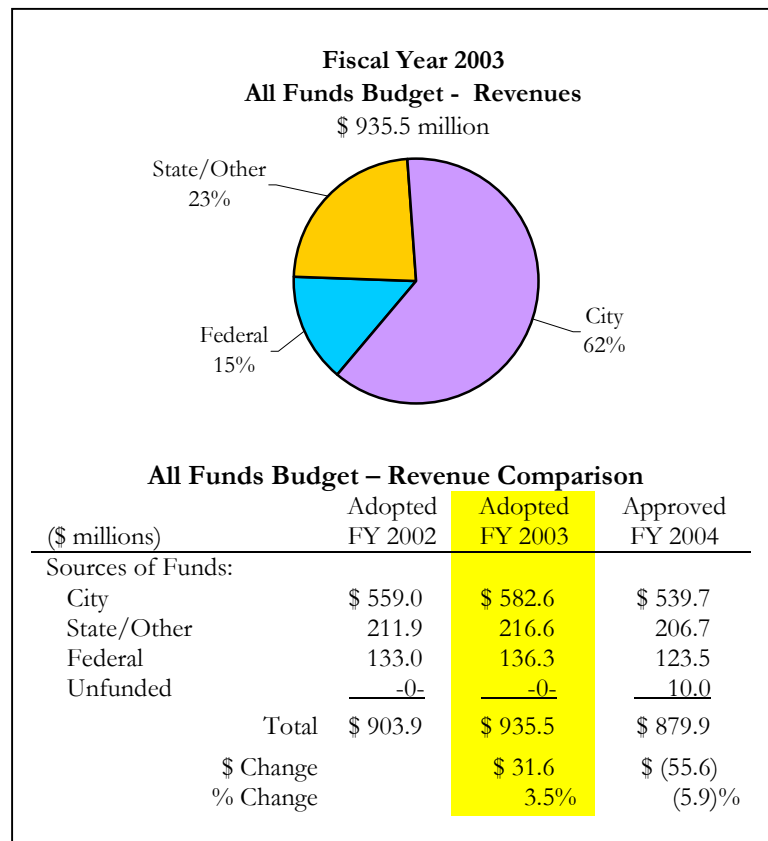
appropriations for department programs in Fiscal Year 2004. However, total budget appropriations for Fiscal Year 2004 are projected to decrease by \$55.6 million, primarily due to the spending down of city bond funds in the capital budget as projects are completed.

ALL FUNDS BUDGET

The University of Arizona (UA) Economic and Business Research Program's *Economic Outlook* for February 2002 stated that the economic recession in Arizona began in March 2001. Unemployment in the Tucson metropolitan area grew from 3% in August 2001 to 4.5% in January 2002. Economic recovery is expected to be slow and moderate in Arizona. In response to these uncertain economic times, the city's revenue estimates for economically sensitive revenues are prudently modest. It is important to remember that public revenue collections lag the general economy experience.

All Funds Budget – Where the Money Comes From

The city's budget has three basic sources of funding: (1) funds generated by the city, (2) federal grant funds, and (3) state-shared taxes and grants, along with smaller contributions from other agencies. For Fiscal Year 2003, revenues generated by the city account for 62% of total budgeted revenues. Revenues from the State of Arizona, combined with smaller contributions from Pima County and local school districts, account for 23% of the budget. Federal grants provide for the remaining 15% of the budget.



The adopted revenues for Fiscal Year 2003 of \$935.5 million include an increase of \$31.6 million or 3.5% more than the adopted budget for Fiscal Year 2002. The projected revenues for Fiscal Year 2004 of \$879.9 million reflect a decrease of \$55.6 million or 5.9% less than the budget for Fiscal Year 2003.

City Revenues: Most of the increase in Fiscal Year 2003 will come from city-generated revenues, which total \$582.6 million or an increase of \$23.6 million over the adopted budget for Fiscal Year 2002. That increase is due to increases in several funding sources: city bonds (+\$7.6 million), charges for services (+\$4.5 million), certificates of participation (+\$4.2 million), water utility revenues (+\$3.8 million), city sales tax receipts (+\$1.8 million), and city primary property tax levy (+\$1.7 million).

City-generated revenues for Fiscal Year 2004 will decrease by \$42.9 million, primarily due to the completion of bond-funded projects and a reduction in funds

carried forward, based on the expectation that projects will be completed on schedule during Fiscal Year 2003.

State/Other Revenues: Revenues from the state and other local agencies, totaling \$216.6 million in Fiscal Year 2003, will increase by only \$4.7 million due to anticipated slow growth in state-shared revenues, offset by reductions because of the completion of grants. For Fiscal Year 2004, these revenues are projected to decrease by \$9.9 million. While some growth is anticipated in state-shared revenues and grant contributions, it is offset by the reduction in the need to carry funds forward.

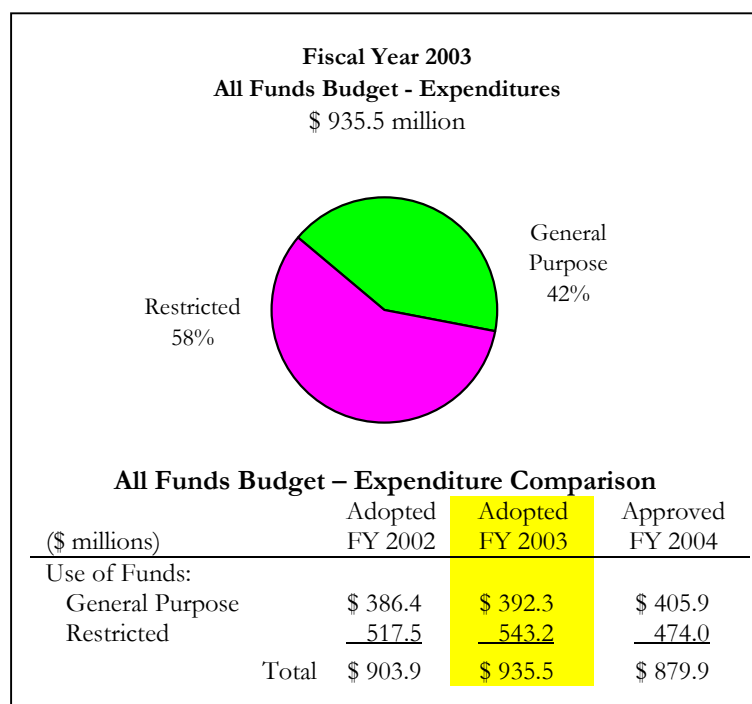
Federal Revenues: Federal revenues of \$136.3 million for Fiscal Year 2003 reflect an increase of \$3.3 million, primarily due to additional funding expected for street projects, based on the city's loan applications to the state's infrastructure bank (Highway Expansion and Extension Loan Program) for pass-through federal funds. For Fiscal

Year 2004, there is a decrease of \$12.8 million due to the anticipated completion of street projects funded with federal grants and state loans.

Unfunded: As required by state law, the Fiscal Year 2003 budget is fully funded. However, Fiscal Year 2004 was approved with a \$10 million deficit.

All Funds Budget – Where the Money Goes

Revenues fall into two categories: General Purpose Funds and Restricted Funds. General Purpose Funds, as the name implies, are those monies that can be used for any general purpose. The Mayor and Council have full discretion to allocate these resources. These funds, from revenue sources such as the city's sales tax and primary property tax, provide for basic municipal services. Restricted Funds are restricted by either the agency providing the revenue, as in the case of federal grants, or by the nature of the funding source for city-generated funds. For example, city bond funds are restricted by the voter-approved bond authorizations.

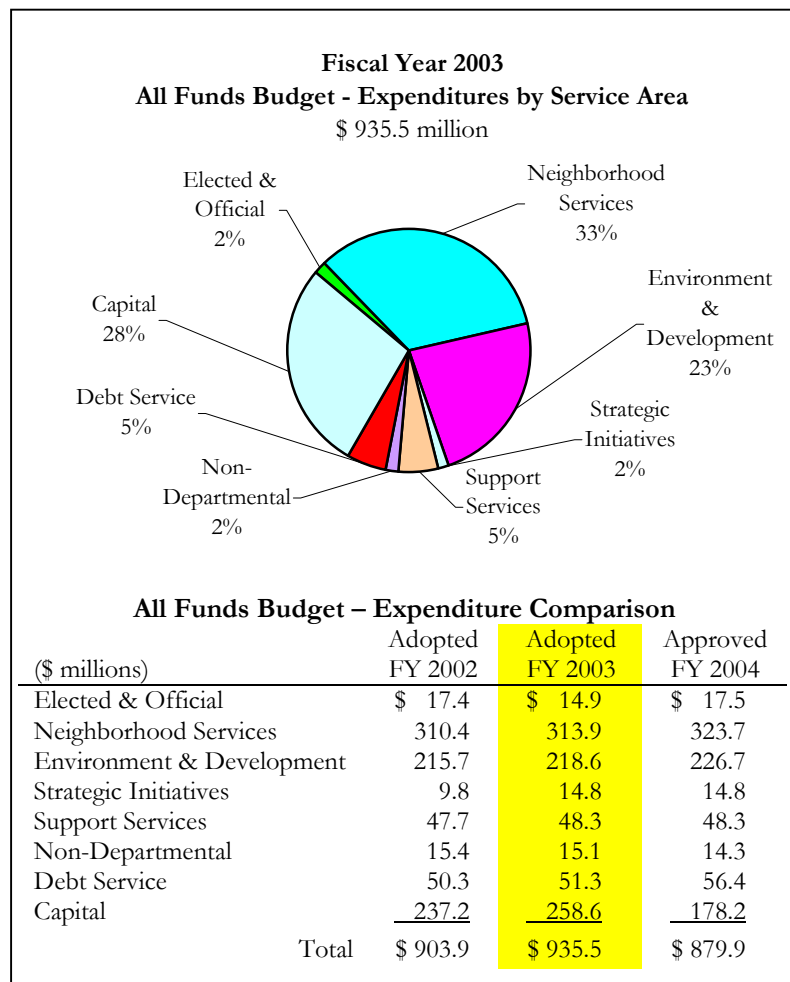


General Purpose Funds: These funds account for 42% of the city's budget. While total revenues increased for Fiscal Year 2003, revenues available for general purposes are expected to increase by \$5.9 million: from \$386.4 million adopted for Fiscal Year 2002 to \$392.3 million in Fiscal Year 2003. For Fiscal Year 2004, the use of General Purpose Funds is projected to be \$405.9 million, an increase of \$13.6 million. However, \$10 million of that increase is currently unfunded. More specific information on revenue sources and expenditure allocations in the General Purpose Funds Budget is provided later in this overview (see page A-12).

Restricted Funds: These funds account for 58% of the city's budget. The increase in the All Funds Budget for Fiscal Year 2003 is from funds received for restricted purposes. The total of \$543.2 million is an increase of \$25.7 million over the adopted

budget for Fiscal Year 2002. For Fiscal Year 2004, Restricted Funds are projected to decrease by \$69.2 million. More specific information on revenue sources and expenditure allocations in the Restricted Funds Budget is provided later in this overview (see page A-15).

Significant Program Changes: After city departments submitted their budget packages in November 2001, the Budget and Research Department and the City Manager's Office reviewed the base budget requests and reduction options. In developing expenditure allocations, staff considered available revenues, Mayor and Council priorities, and efficient methods of service delivery to the public. Following is a listing of the significant changes to the All Funds Budget for each of the six service areas. (Position changes are noted in the Staffing section that begins on page A-18.) Debt service and capital projects have been separated out to give greater clarity to program allocations in the operating budget. Changes across all service areas include additional funding in Fiscal Years 2003 and 2004 for pay adjustments to keep employee compensation competitive.



➤ **Elected and Official:** This service area contains the budgets of the Mayor and Council, City Manager, City Clerk, and City Attorney. The Fiscal Year 2003 total of \$14.9 million is a \$2.5 million decrease from the adopted budget for Fiscal Year 2002. The decrease is primarily due to two changes: a \$1.1 million reduction in the City Clerk's Office because there are no scheduled elections in Fiscal Year 2003 and the \$1.8 million transfer of youth and family services funds from the City Manager's Office to department budgets. For Fiscal Year 2004, there is a projected increase of \$2.6 million, primarily for the scheduled election.

➤ **Neighborhood Services:** This service area contains the budgets of City Court, Community Services, Fire, Library, Neighborhood Resources, Parks and Recreation, Tucson City Golf, Police, the Independent Police Auditor, and the Public Defender. The Fiscal Year 2003 total of \$313.9 million is a \$3.5 million increase from the adopted budget for Fiscal Year 2002. The majority of the increase resulted from employee pay adjustments. For Fiscal Year 2004, there is a projected increase of \$9.8 million, due to the

costs of opening and staffing new facilities, employee pay adjustments, and additional grants.

➤ **Environment and Development:** This service area contains the budgets of Development Services, Planning, Solid Waste Management, Transportation, Tucson Water, Environmental Management, Historic Preservation Office, and the Zoning Examiner. The Fiscal Year 2003 total of \$218.6 million is a \$2.9 million increase over the adopted budget for Fiscal Year 2002. Increases in Tucson Water's expenditures of \$3.1 million account for most of this change: \$1.4 million increase in debt service expenditures related to capital projects, \$1.0 million increase in commodity charges for Central Arizona Project water, and \$0.7 million increase for electricity to pump water. These expenditures are offset primarily by savings in Solid Waste Management, most significantly due to \$1.7 million saved because of the conversion to once per week refuse collection and once per week recycling collection. For Fiscal Year 2004, there is a projected increase of \$8.1 million for this service area, primarily due to Tucson Water's expenses and employee pay adjustments in each of the service area's departments.

➤ **Strategic Initiatives:** This service area contains the budgets of the Tucson Convention Center, Economic Development, Intergovernmental Relations, and the Tucson-Mexico Trade Office. For Fiscal Year 2003, the total \$14.8 million is an increase of \$5 million from the adopted budget for Fiscal Year 2002. This increase is primarily due to lease payments that the Tucson Convention Center will now make to the Rio Nuevo Multipurpose District, because the district took over the debt service payments for the facility. For Fiscal Year 2004, there is no projected change.

➤ **Support Services:** The Support Services service area contains the budgets of Budget and Research, Finance, Human Resources, Information Technology, Operations, Procurement, and the Equal Opportunity Office. The Fiscal Year 2003 total of \$48.3 million is an increase of \$0.6 million from the adopted budget for Fiscal Year 2002. That increase is primarily due to employee pay adjustments. For Fiscal Year 2004, there is no projected change.

➤ **Non-Departmental:** The Non-Departmental service area contains the budgets for Outside Agencies, General Expense, the Contingency Fund, and Debt Service. However, the budget for Debt Service has been separated out for this analysis. The Fiscal Year 2003 total of \$15.1 million is a \$0.3 million decrease from the adopted budget for Fiscal Year 2002. That decrease is primarily due to reductions of 10% to certain Outside Agencies. Support for Pima Animal Control Center, Tucson-Pima Arts Council, and the economic development related agencies remained at their Fiscal Year 2002 levels. For Fiscal Year 2004, there is a projected decrease of \$0.8 million, due to the elimination of the one-time expenditures made in Fiscal Year 2003.

➤ **Debt Service:** The Debt Service budget includes those debt payments made by the general taxpayer; debt repayment for utilities, Tucson Water and Tucson City Golf, is excluded because it is paid by service users. Debt Service totals \$51.3 million for Fiscal Year 2003, an increase of \$1 million from the adopted budget for Fiscal Year 2002. No new general obligation or street and highway revenue bond sales are scheduled for this year. The debt service budget increase is primarily due to repayment for new loans anticipated from the state's infrastructure bank (+\$4.8 million) and capacity for additional certificates of participation (+\$1.1 million), which are offset by the transfer of the Tucson Convention Center's debt payments to the Rio Nuevo Multipurpose District (-\$4.9). For Fiscal Year 2004, there is a projected increase of \$5.1 million, primarily for repaying more new state infrastructure loans and the assumed sale in 2003 of general obligation bonds from the 2000 authorization.

➤ **Capital Budget:** The budget for capital projects in Fiscal Year 2003 totals \$258.6 million, an increase of \$21.4 million over Fiscal Year 2002. That increase is primarily due to funds carried forward for projects not completed on schedule in Fiscal Year 2002. For Fiscal Year 2004, there is a projected decrease of \$80.4 million, primarily due to the spending down of city bonds as projects are completed.

State-Set Expenditure Limit

Tucson, like all Arizona cities, is subject to a spending limit imposed by the state constitution. For revenues that are subject to the limitation, the Mayor and Council's adopted budget cannot exceed the expenditure limitation regardless of how much money may be available. Excluded from the limitation are funding sources such as bond proceeds and related debt service, interest earnings, and federal grants.

Each year the spending limit is set by the state's Economic Estimates Commission (EEC), which takes into consideration annual population growth and inflation. Cities are allowed to override the EEC spending limit only with prior approval of the voters. In 1987, the voters of Tucson authorized an override of \$46.9 million for public safety, recreation, and transportation services. With this override, the city has been able to stay under the state-set spending limit.

In Fiscal Year 2001, due to problems with the state's method of calculation, the EEC had to issue both an official limit and an adjusted limit. If a city spent over the official but under the adjusted limit, the penalty was only \$100. The state legislature extended the adjusted spending limit calculations through Fiscal Year 2003.

State-Set Expenditure Limit for City of Tucson			
(\$ millions)	Adopted FY 2002	Adopted FY 2003	Approved FY 2004
Budgeted Expenditures	\$ 903.9	\$ 935.5	\$ 879.9
Less Exclusions	<u>(423.4)</u>	<u>(431.5)</u>	<u>(366.2)</u>
Subject to Spending Limit	\$ 480.5	\$ 504.0	\$ 513.7
EEC Official Limit	\$ 477.5	\$ 501.0	\$ 503.0
EEC Adjusted Limit	\$ 506.5 ¹	\$ 535.1 ¹	\$ 556.5 ²
Under/(Over) Official Limit	\$ (3.0)	\$ (3.0)	\$ (10.7)
Under/(Over) Adjusted Limit	\$ 26.0	\$ 31.1	\$ 42.8 ²

¹For Fiscal Years 2002 and 2003, the state granted one-time adjustments to all cities. If the city expends over the official but under the adjusted limit, the penalty will be \$100.

²For Fiscal Year 2004, an adjusted limit has not yet been granted by the state. If the state grants an adjustment of 4%, the adjusted limit would be \$556.5 million, and the city would have an expenditure margin of \$42.8 million.

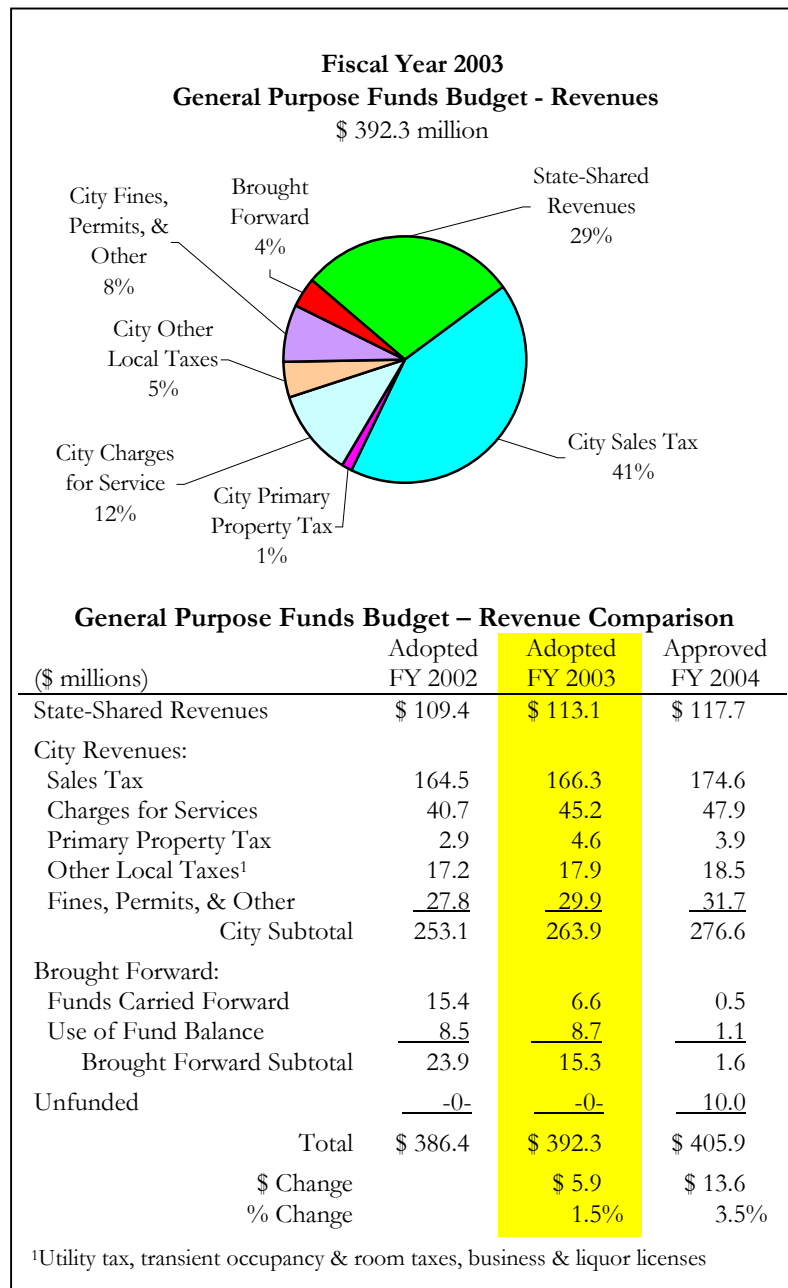
For Fiscal Year 2003, the city's budget will be over the state's official spending limit by \$3 million, but under the adjusted limit by \$31.1 million. By Fiscal Year 2004, projected expenditures could be over the official limit by \$10.7 million. The city will need to pursue a continued adjustment to the state-set expenditure limit.

GENERAL PURPOSE FUNDS BUDGET

These are the funds that the Mayor and Council have full discretion to allocate. General Purpose Funds are used by the city primarily for the operating expenses of basic municipal services. As noted earlier in the graph on page A-8, only 42% of the city's budget falls within this category. For Fiscal Year 2003, the General Purpose Funds Budget will total \$392.3 million, an increase of \$5.9 million from the \$386.4 million adopted for Fiscal Year 2002. In Fiscal Year 2004, the General Purpose Funds Budget is projected to increase by \$13.6 million to \$405.9 million; however, \$10 million of that increase is currently unfunded.

General Purpose Funds Budget – Where the Money Comes From

Revenues that can be used for general purposes are either city-generated revenue or state-shared revenue. Most of the General Purpose Funds Budget comes from just two revenue sources: state-shared revenues (29%) and city sales tax (41%). Reliance on these two sources makes the General Purpose Funds Budget vulnerable during economic downturns.



State-Shared Revenues: Annually, the State of Arizona distributes a portion of its revenue receipts to cities and counties. The state-shared revenues that are used by the city in the General Purposes Funds Budget are state-shared income tax, state-shared sales tax, state-shared auto lieu tax, and lottery proceeds. These revenues account for 29% of the General Purpose Funds Budget.

For Fiscal Year 2003, state-shared revenues will total \$113.1 million. The increase of \$3.7 million is 3% more than adopted for Fiscal Year 2002. For Fiscal Year 2004, these revenues are projected to increase another 4% to \$117.7 million. These state-shared revenue estimates for Fiscal Years 2003 and 2004 assume that there will be no changes to the state's distribution formulas.

City Revenues: As a total, city-generated revenues account for 67% of the General Purpose Funds Budget. The total of \$263.9 million for Fiscal Year 2003 is an increase of \$10.8 million or 4.3% more than the adopted budget for Fiscal Year 2002. For Fiscal Year 2004, these revenues are projected to increase another 4.8% to \$276.6 million.

Most of the city-generated revenue for the General Purpose Funds Budget comes from the city's sale tax (business privilege tax). For Fiscal Year 2003, these receipts are estimated at \$166.3 million. While that is only a 1.1% increase over the \$164.5 million adopted for Fiscal Year 2002, it is a 4% increase over estimated receipts for Fiscal Year 2002 of \$159.9 million, which are lagging due to the economy. For Fiscal Year 2004, city sales tax receipts are projected to increase another 5% to \$174.6 million.

Brought Forward: This category contains funds that are revenues received in previous fiscal years. There are two types of brought forward funds: (1) funds carried forward and (2) use of fund balance. If properly budgeted, funds can be carried forward from the prior fiscal year for projects and acquisitions that could not be completed as planned. The use of fund balance refers to surplus revenues from previous years that are available to balance the budget. These two funding sources account for 4% of the General Purpose Funds Budget.

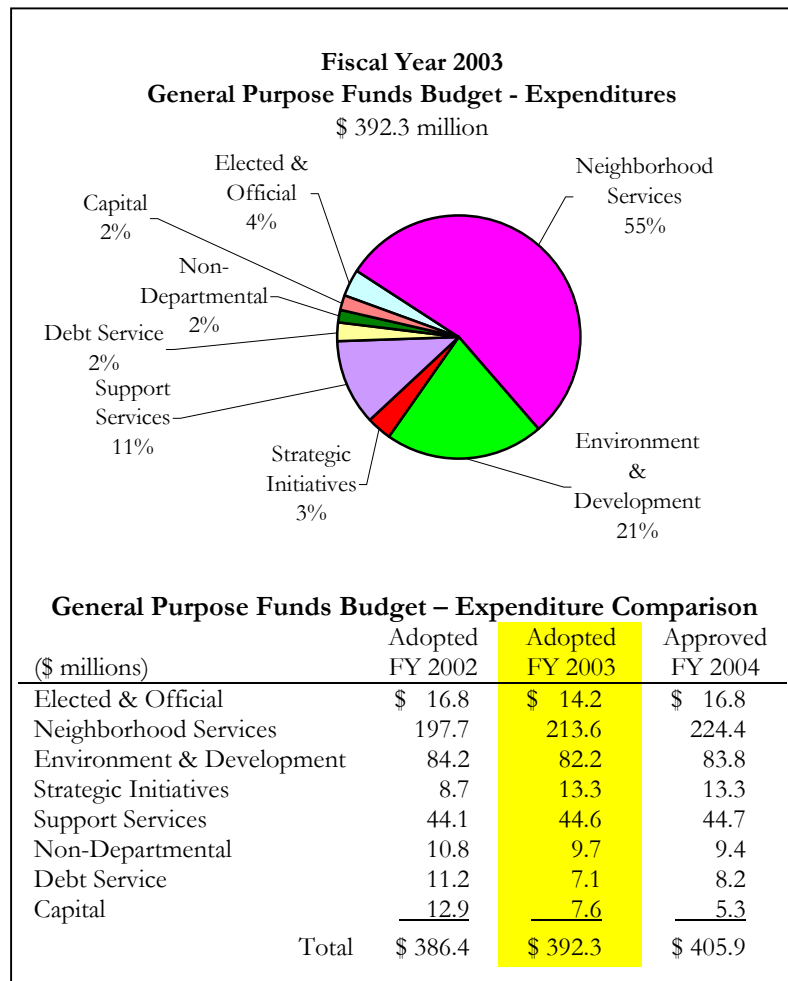
For Fiscal Year 2003, the Brought Forward total of \$15.3 million is a decrease of \$8.6 million from the adopted budget for Fiscal Year 2002. Most of that decrease is due to the reduced need to carry forward funds for uncompleted projects, which dropped Funds Carried Forward from \$15.4 million in Fiscal Year 2002 to \$6.6 million in Fiscal Year 2003. The Use of Fund Balance will increase from \$8.5 million to \$8.7 million, because slightly more of General Fund reserves are needed to balance the budget in Fiscal Year 2003.

The Brought Forward total is projected to be \$1.6 million for Fiscal Year 2004. Funds Carried Forward are projected to be \$0.5 million. Use of Fund Balance is projected to be \$1.1 million, because the continued use of General Fund reserves is necessary for balancing the budget.

Unfunded: General Purpose Funds Budget revenues for Fiscal Year 2004 are currently projected to be \$10 million less than will be needed to cover projected expenditure needs for basic municipal services. This deficit will have to be brought to zero before the Fiscal Year 2004 budget can be adopted in June 2003. During the next budget cycle, staff will be returning to the Mayor and Council with recommended adjustments to balance that budget.

General Purpose Funds Budget – Where the Money Goes

The General Purpose Funds Budget, which accounts for 42% of the budget, primarily pays for the operating expenses of basic municipal services. The changes from year-to-year allocations within the General Purpose Funds Budget are briefly noted below. Greater detail on service area changes is provided in the All Funds Budget section of this overview (see page A-9).



Elected and Official: This service area will decrease by \$2.6 million in Fiscal Year 2003. For Fiscal Year 2004, this area will increase by \$2.6 million. These changes are primarily due to scheduled elections, which occur every other year.

Neighborhood Services: This service area, which includes programs such as police and fire, libraries and parks, will increase by \$15.9 million in Fiscal Year 2003. The increase is primarily due to employee pay adjustments in each of the service area's departments. For Fiscal Year 2004, there is a projected increase of \$10.8 million, primarily due to the cost of staffing new facilities and for employee pay adjustments.

Environment and Development: This service area, which includes programs such as garbage collection and development services, will decrease by \$2 million in Fiscal Year 2003. Most of that decrease is due to savings from the conversion to once per week refuse

and recycling collection and the closing of the Tenth Avenue Transfer Station. For Fiscal Year 2004, the General Purpose Funds Budget for this service area will increase by \$1.6 million, primarily due to employee pay adjustments.

Strategic Initiatives: This service area, which includes programs such as the Tucson Convention Center (TCC) and economic development activities, will increase by \$4.6 million in Fiscal Year 2003. Most of the increase is due to the lease payments TCC must now make to the Rio Nuevo Multipurpose District, which took over the debt payments on the facility's financing obligations. For Fiscal Year 2004, the General Purpose Funds Budget for this service area remains the same.

Support Services: This service area includes support functions such as Procurement, Finance, and Operations. For Fiscal Year 2003, General Purpose Funds Budget in this service area will increase by \$0.5 million, primarily for employee pay adjustments. For Fiscal Year 2004, the budget remains essentially the same.

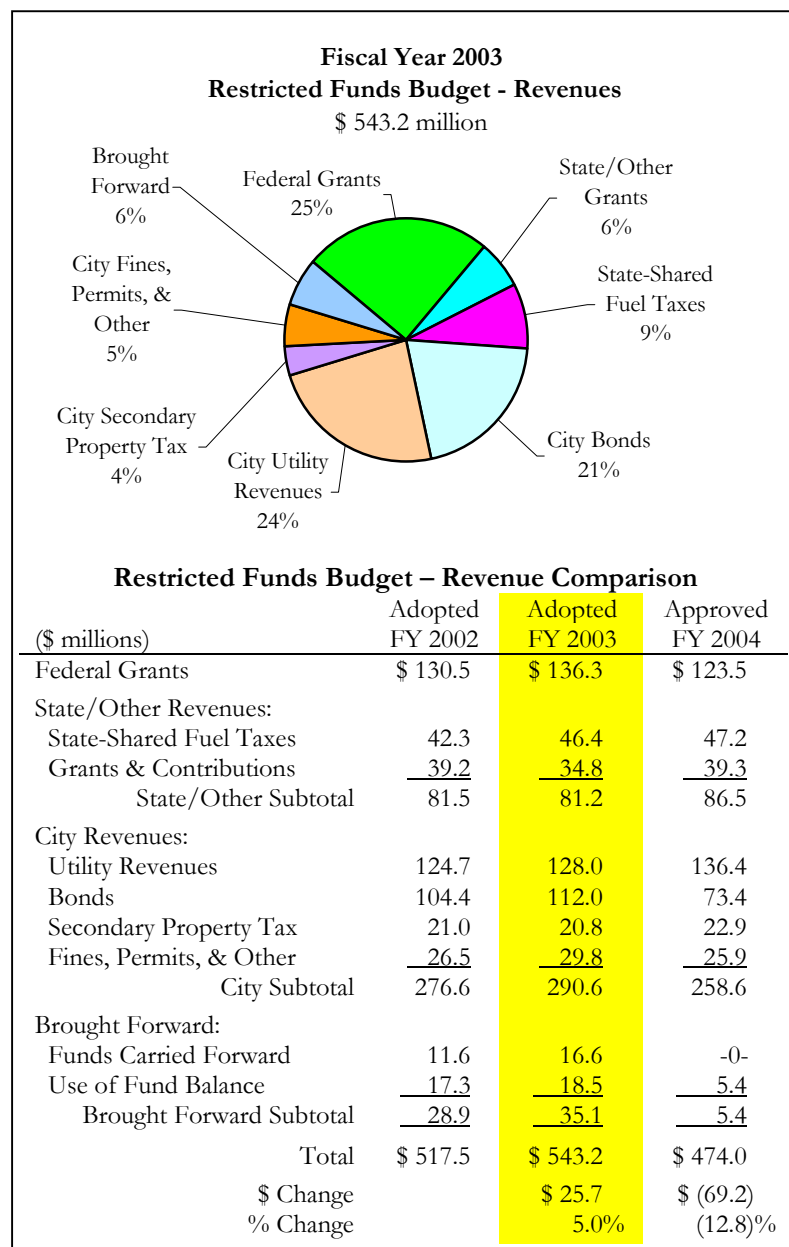
Non-Departmental: This service area, which includes support to Outside Agencies and General Expenses, will decrease by \$1.1 million in Fiscal Year 2003. This decrease is primarily due to fewer funds carried forward for projects not completed. For Fiscal Year 2004, there is a projected decrease of \$0.3 million due to the elimination of one-time purchases made in Fiscal Year 2003.

Debt Service: The General Purpose Funds Budget contains debt service payments for certain lease purchases and certificates of participation (COPs). These payments will decrease by \$4.1 million in Fiscal Year, primarily due to the transfer of TCC facility debt to the Rio Nuevo Multipurpose District. The increase of \$1.1 million in Fiscal Year 2004 is based on assumed sales of COPs for capital projects.

Capital: General Purpose Funds Budget funding for capital projects will decrease by \$5.3 million in Fiscal Year 2003 and by another \$2.3 million in Fiscal Year 2004. These changes reflect the priority given to allocating General Purpose Funds for operating expenses.

RESTRICTED FUNDS BUDGET

These are the funds that are restricted in their use, either by the agency providing the funding or due to the nature of the revenue. As noted earlier in the graph on page A-8, 58% of the city's budget falls within this category. For Fiscal Year 2003, the Restricted Funds Budget will total \$543.2 million, an increase of \$25.7 million over the adopted budget for Fiscal Year 2002. In Fiscal Year 2004, the Restricted Funds Budget is projected to decrease by \$69.2 million.



Restricted Funds Budget – Where the Money Comes From

Restricted revenues come from all three funding sources: city, state/other, and federal.

Federal Grants: The city receives federal grants primarily for public housing, street projects, transit services, and community development. These revenues account for 25% of the Restricted Funds Budget.

For Fiscal Year 2003, the total of \$136.3 million is an increase of \$5.8 million from the adopted budget for Fiscal Year 2002. While grants for public housing will decrease, federal funds for street projects will increase. In Fiscal Year 2004, federal funds are expected to decrease by \$12.8 million, primarily due to the completion of street projects financed with state infrastructure loans, which are federal pass-through monies.

State/Other Revenues: This category is a combination of state-shared fuel taxes (also known as HURF—Highway User Revenue Fund), grants from the state and other local agencies, and contributions from Pima County (county general obligation bonds and

Library District monies). Combined, these revenues account for 15% of the Restricted Funds Budget.

For Fiscal Year 2003, the total of \$81.2 million is a decrease of \$0.3 million from the adopted budget for Fiscal Year 2002. The decrease is primarily due to fewer grants available for capital projects, offset by an increase in expected receipts from state-shared fuel taxes. The Fiscal Year 2003 increase in state-shared fuel taxes is a 9.6% increase, because of the conservative amount adopted for Fiscal Year 2002. Actual receipts in Fiscal Year 2002 have been better than anticipated: \$45.2 million estimated at year-end compared to \$42.3 million in the adopted budget. The Fiscal Year 2003 budget amount is only 2.7% more than estimated for Fiscal Year 2002.

State/Other Revenues are projected to increase in Fiscal Year 2004 by \$5.3 million, primarily due to additional capital grants. State-shared fuel taxes are projected to increase by only 1.7%. The modest annual growth in state-shared fuel taxes is due to the city's declining share of the state's population and because these are flat-rate taxes that do not grow with inflation.

City Revenues: As a total, city-generated revenues account for 54% of the Restricted Funds Budget. For Fiscal Year 2003, the total of \$290.6 million is an increase of \$14 million over the adopted budget for Fiscal Year 2002. Most of that change is due to increases in utility revenues from Tucson Water (reflecting the 4.3% increase in the financial plan approved by the Mayor and Council) and a greater use of city bonds. Receipts from the secondary property tax will decrease, because there was no sale of general obligation bonds during Fiscal Year 2002 and outstanding debt has been refinanced.

For Fiscal Year 2004, city-generated revenues in the Restricted Funds Budget will decrease by \$32 million. The decrease is primarily due to a reduction in the use of city bonds as projects are completed, offset by an increase in Tucson Water revenues.

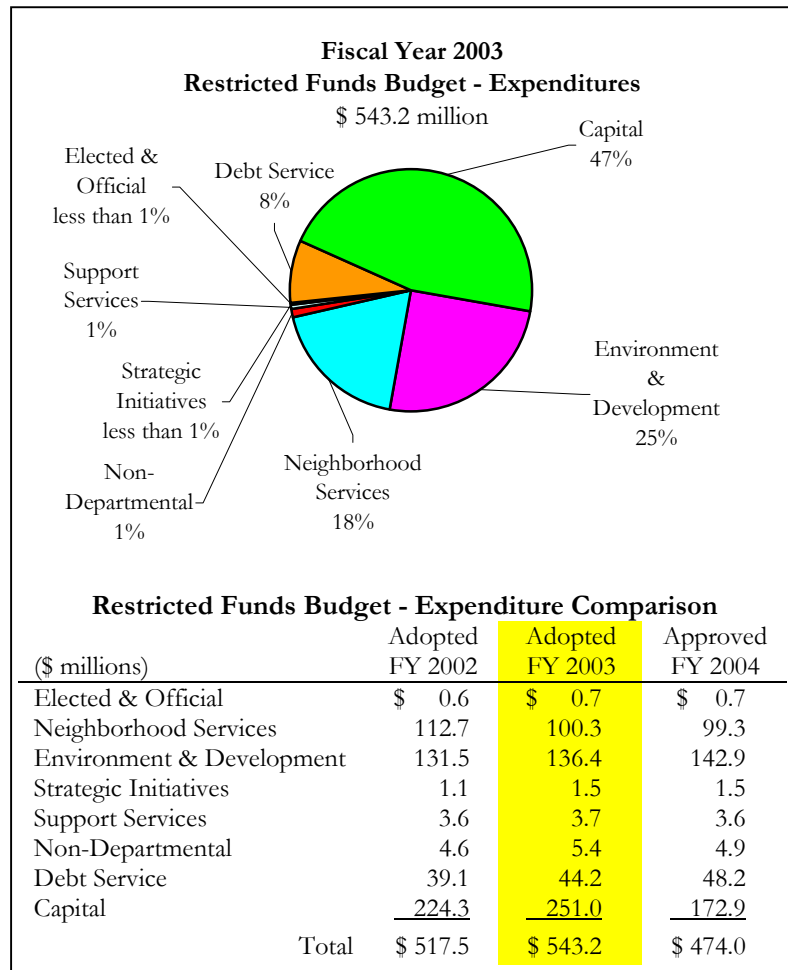
Brought Forward: This category contains funds that are revenues received in previous fiscal years. There are two types of brought forward funds: (1) funds carried forward and (2) use of fund balance. If properly budgeted, funds can be carried forward from the prior fiscal year for projects and acquisitions that could not be completed as planned. The use of fund balance refers to surplus revenues from previous years that are available to balance the budget. These two sources account for 6% of the Restricted Funds Budget.

The total of \$35.1 million for Fiscal Year 2003 is an increase of \$6.2 million over the adopted budget for Fiscal Year 2002. Most of that change, from \$11.6 million to \$16.6 million, is due to an increase in funds that need to be carried forward for projects not completed as planned. Use of Fund Balance will increase from \$17.3 million to \$18.5 million. Use of Fund Balance is needed from HURF reserves to provide for Transportation's street-related expenses and from the Environmental and Solid Waste Mandate Reserve for capital projects at the city's landfills.

For Fiscal Year 2004, the Brought Forward total is projected to be \$5.4 million, a decrease of \$29.7 million. The Funds Carried Forward category is projected to be zero, which assumes that all projects and acquisitions planned for Fiscal Year 2003 will be completed as scheduled. The Use of Fund Balance is projected to be just \$5.4 million because the continued use of the Environmental and Solid Waste Mandate Reserve, without a means of replenishment, is not considered a prudent fiscal policy.

Restricted Funds Budget – Where the Money Goes

The Restricted Funds Budget, which accounts for 58% of the budget, covers both capital and operating expenses. The changes from year-to-year allocations within the Restricted Funds Budget are briefly noted below. Greater detail on service area changes is provided in the All Funds Budget section of this overview (see page A-9).



Elected and Official: This service area's expenditures in Restricted Funds will increase by \$0.1 million in Fiscal Year 2003. The increase is due to additional grant-funded activity in the City Attorney's Office. No change is anticipated for Fiscal Year 2004.

Neighborhood Services: This service area's expenditures in Restricted Funds will decrease by \$12.4 million in Fiscal Year 2003. The decrease is primarily due to the completion of grants in Community Services (\$-9.4 million) and a transfer of Police expenditures from federal grants to the General Fund (\$-2.7 million). A further decrease of \$1 million is projected for Fiscal Year 2004, primarily due to the further completion of federal grants in Community Services.

Environment and Development: This service area's expenditures in Restricted Funds will increase by \$4.9 million in Fiscal Year 2003. Most of that increase is for increased expenditures in Tucson Water due to the utility's debt service payments, commodity charges for Central Arizona Project water, and electricity for pumping water.

Strategic Initiatives: This service area's expenditures in Restricted Funds will increase by \$0.4 million in Fiscal Year 2003 due to additional grant activities anticipated in Economic Development. No change is projected for Fiscal Year 2004.

Support Services: This service area's expenditures in Restricted Funds will remain essentially the same as budgeted for Fiscal Year 2002. The changes of plus and minus \$0.1 million are in restricted revenues received from the cable television provider, which are used for Information Technology's programs.

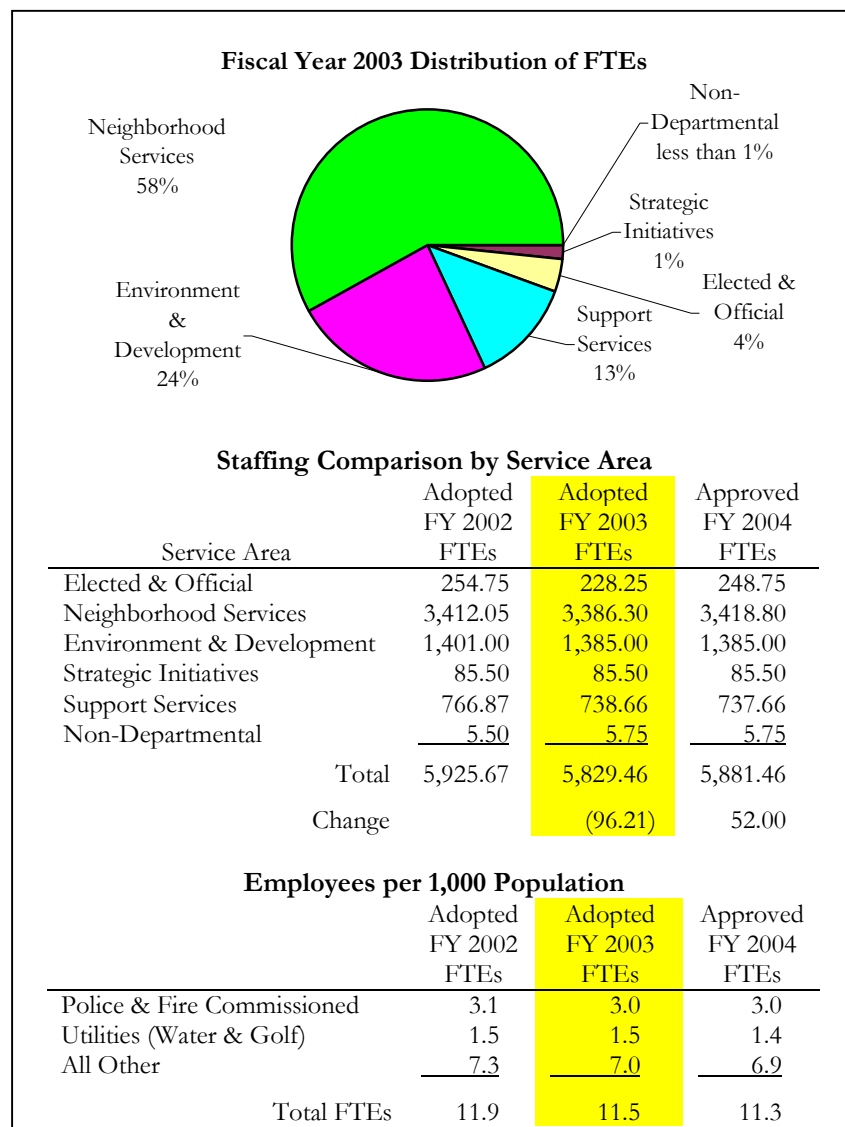
Non-Departmental: This service area's expenditures in Restricted Funds will increase by \$0.8 million in Fiscal Year 2003. The increase is primarily due to one-time expenditures for library materials and computer equipment for the Oro Valley Library, which will be reimbursed by the Town of Oro Valley. For Fiscal Year 2004, Non-Departmental's expenditures in Restricted Funds will decrease by \$0.5 million, primarily due to the elimination of budget capacity for the one-time purchases made in Fiscal Year 2003.

Debt Service: Debt Service expenditures in Restricted Funds are primarily for three types of financings: (1) repayment of street and highway revenue bonds, (2) repayment of general obligation bonds, and (3) repayment of state infrastructure bank loans. For Fiscal Year 2003, there will be an increase of \$5.1 million, primarily due to the repayment of new state infrastructure bank loans for street projects. For Fiscal Year 2004, there is an increase of \$4 million, which is attributable to new state infrastructure bank loans and an anticipated sale of general obligation bonds.

Capital: For Fiscal Year 2003, expenditures in Restricted Funds for capital projects will increase by \$26.7 million, primarily due to greater use of city bonds and the availability of additional federal funds. For Fiscal Year 2004, there will be a decrease of \$78.1 million, primarily due to the spending down of city bonds from the 2000 authorization.

STAFFING

The number of city employees in the adopted budget for Fiscal Year 2003 totals 5,829.46, a decrease of 96.21 full-time equivalent (FTE) positions from the Fiscal Year 2002 Adopted Budget. The reduction is primarily due to two factors: no election in Fiscal Year 2003, which reduces the total by 20.5 temporary employees, and 75.71 positions eliminated during Fiscal Year 2002 reorganizations and the Fiscal Year 2003 budget review.



The number of city employees per 1,000 population will decrease from 11.9 in Fiscal Year 2002 to 11.5 in Fiscal Year 2003, and then to 11.3 in Fiscal Year 2004. Reducing the growth of city government was accomplished by reorganizing work and applying technology. No employee layoffs are anticipated. The position eliminations will be handled through attrition, management of vacant positions, and employee reassignments.

➤ **Elected and Official:** Staffing for this service area was reduced by 26.5 positions. Due to no elections in Fiscal Year 2003, 20.5 temporary positions were eliminated in the City Clerk's Office. Also eliminated were 1 clerk and 1 supervisor. The City Manager's Office has a net reduction of 2 positions due to the addition of 1 communications director, offset by the reduction of 1 secretary, 1 management analyst, and 0.75 public information specialist, and the transfer out of 0.25 project manager to the Non-Departmental service area. The City Attorney's staff was reduced by 1 attorney and 1 law clerk.

➤ ***Neighborhood Services:*** The number of employees in this service category was reduced by 25.75 positions for Fiscal Year 2003. The position reductions are a combination of changes in grant-funded positions and positions eliminated to reduce the growth of city government. City Court was reduced by 5.5 positions: 1 limited special magistrate, 1 probation officer, 3 clerks, and a half-time volunteer coordinator. Community Services increased by 2 positions, which were added during Fiscal Year 2002 for federal grant programs. Fire had a gain of 1 position due to the elimination of 1 fire inspector position, offset by the addition of 1 payroll clerk and 1 equipment mechanic. Library increased by a half position, the net result of 4.5 eliminated positions that were offset by 5 positions added during Fiscal Year 2002. Neighborhood Resources staffing has a net increase of 10 positions: addition of 1 director, 1 deputy director, 1 administrator, and 11 code enforcement personnel from Development Services, which are offset by the elimination of 1 clerk typist and 3 interns. The Parks and Recreation Department's reduction of 12.5 positions is the net result of 16.25 positions eliminated because of reorganization efficiencies, 2 positions added for grants, and 1.75 positions added due to the completion of capital projects. Tucson City Golf was able to reduce its position total by 15.25 based on its revised business plan. The Police Department's reduction of 6 positions is due to 3 clerk positions eliminated during budget review and 3 positions eliminated due to the completion of grant programs.

➤ ***Environment and Development:*** The Environment and Development service area decreased by 16 positions. Development Services has a net gain of 10 positions. Three positions were added during Fiscal Year 2002 for the SABER (Slum Abatement and Blight Enforcement Response) program; 1 project manager and 2 systems analysts were added because of the reorganization of the department; and 17 positions were transferred in from Planning. Offsetting these additions were 2 positions (1 planning technician and 1 non-permanent residential inspector) eliminated to reduce the growth of city government and 11 code enforcement positions (including the three SABER positions) transferred to Neighborhood Resources. The Planning Department is reduced by 18 positions, transfer of 1 project manager to Neighborhood Resources and 17 positions to Development Services. Solid Waste Management has a net reduction of 8 positions: 9 positions eliminated because of operational efficiencies at the Los Reales Landfill and the closing of the Tenth Avenue Transfer Station, and 1 position added mid-year for the SABER program.

➤ ***Strategic Initiatives:*** The net change to the Strategic Initiatives service area in Fiscal Year 2003 is zero. Tucson Convention Center staff was reduced by 3 positions: 1 public information specialist, 1 events attendant supervisor, and 1 building maintenance worker. Economic Development has a net gain of 2 positions: 3 grant-funded positions were added mid-year for the SBA (Small Business Administration) Businessline program, offset by the elimination of 1 project manager position. The Tucson-Mexico Trade Office staff was increased by 1 economic development specialist during mid-year Fiscal Year 2002.

➤ ***Support Services:*** Support Services staffing was reduced by 28.21 positions. Finance was reduced by 6.25 positions: 1 financial analyst, 2 senior accountants, 1 administrative assistant, and 2.25 clerks. The Human Resources Department staff was reduced by 2 clerks. The net change of 6.46 fewer positions in Information Technology is the result of the transfer of 1 project manager and 2 systems analysts to Development Services and the elimination of 3.46 positions in video productions (2 systems analysts and 1.46 intermittent positions). The Operations Department was reduced by 7 positions. Five of the eliminated positions are related to facilities design and maintenance: 1 supervisor, 1 project coordinator, 1 civil engineer, 1 plumber, and 1 architecture intern. The other 2 eliminated positions are a project manager in Administration and a heavy equipment mechanic in Fleet Services. Procurement was reduced by 5 positions: 1 contract compliance officer, 2 storekeepers, 1 secretary, and 1 mail clerk. The Equal Opportunity Office was reduced by 1.5 positions: 1 equal opportunity specialist and a half time, non-permanent secretary.

➤ ***Non-Departmental:*** The only change in staffing for the Non-Departmental service area, which contains the city staff working at the A-7 Ranch and on the Rio Nuevo Project, is the transfer of 0.25 project manager for Rio Nuevo from the City Manager's Office.

Projected Fiscal Year 2004: Total staffing for Fiscal Year 2004 is projected to increase by 52 positions. Election positions (20.5 temporary positions) will be added back to the City Clerk's Office; these positions are added and deleted in alternate years based on the schedule for general elections. Thirty-six new positions will be needed to open completed facilities: 21 positions in Fire for new fire stations and 15 positions in Library for the opening of the Quincie-Douglas Library and the Midtown Learning Center. These increases will be offset by a reduction of 4.5 grant-funded positions.

CITIZEN IMPACTS

City Property Taxes: The city imposes two taxes on the assessed value of property within the city limits: (1) a primary property tax for general purposes and (2) a secondary property tax to pay off general obligation bond debt.

City of Tucson Property Tax Rate Comparisons (per \$100 of assessed valuation)			
	Actual FY 2002	Estimated FY 2003	Estimated FY 2004
Primary Rate	\$ 0.1403	\$ 0.2089	\$ 0.1660
Secondary Rate	0.9799	0.9113	0.9542
Total	\$ 1.1202	\$ 1.1202	\$ 1.1202
\$ Change		\$ -0-	\$ -0-

The city's total property tax rate is being held at the same rate as for Fiscal Year 2002: \$1.1202 per \$100 of assessed valuation. While the secondary rate dropped by 7¢, the primary rate was raised by 7¢ to generate General Fund revenue to balance the budget.

The primary property tax rate will yield \$4.6 million in revenue, still accounting for less than 1% of the operating budget. Even with a 7¢ increase, Tucson will likely continue to have the lowest city primary property tax of the major

Arizona cities. Tucson's rate in Fiscal Year 2002 was \$0.14 per \$100 of assessed valuation, compared to \$0.82 in Phoenix, \$0.49 in Scottsdale, and \$0.36 in Glendale.

The estimated secondary property tax rate for Fiscal Year 2003 is a reduction from the actual rate for Fiscal Year 2002: from \$0.9799 to \$0.9113, a decrease of approximately 7¢ per \$100 of assessed valuation. This reduction is due to the city's ability to postpone a new sale of general obligation bonds until 2004 or 2005, and the refinancing of outstanding debt. For Fiscal Year 2004, a new general obligation bond sale of \$25 million is assumed, which is projected to increase the secondary property tax rate by 4¢ per \$100 of assessed valuation.

City Sales Tax: The Tucson City Charter authorizes a 2% sales tax on many business transactions within the city. However, certain transactions, such as food purchased for home consumption and rent collected on residential units, are exempted from the city sales tax. City sales tax collections can be used for any general purpose.

Charges for Services: User fee revenues in four areas were increased for the Fiscal Years 2003 and 2004 budgets: parks fees, planning fees, commercial refuse fees, and water rates. The increases to specific fees must still be brought forward to the Mayor and Council for approval.

Parks Fees. To help defray the increasing costs for operating and maintaining the city's parks, the cost recovery for certain fees charged by the Parks and Recreation Department will be set at 30%. Increases to reach the 30% cost recovery will be phased in over four years. For Fiscal Year 2003, the first phase of the fee increases will provide \$900,000 in additional revenues. Another \$1.2 million is projected for Fiscal Year 2004.

Planning Fees. Increases to zoning-related fees will generate an additional \$200,000 in Fiscal Year 2003 to offset rising costs.

Commercial Refuse Collection Fees. Increases to commercial refuse collection fees, to bring the service closer to 100% cost recovery, will generate an additional \$300,000 in Fiscal Year 2003.

Water Rates. On June 3, 2002, the Mayor and Council approved Tucson Water's Financial Plan for Fiscal Year 2003. The plan calls for a 4.3 % revenue increase (assuming water user rates are adjusted in October 2002). Staff is currently working with the Citizen's Water Advisory Committee and the Water Customer Rate Design Group to select customer class rate structures and generate rate schedules. Once the rate schedules have been generated, the impact to customer water bills in Fiscal Year 2003 can be determined. The new water rate schedules will be presented to the Mayor and Council in August 2002. While the exact increase to customer water rates has yet to be determined, residential customers will likely see increases in their water bills for Fiscal Year 2003. It is too early to speculate on rate changes for Fiscal Year 2004.

City "Bill for Services"

The city's basic services will cost the typical homeowner approximately \$682 in Fiscal Year 2003, or \$57 per month. For that \$57 per month, the city will provide the basic services of water delivery, police and fire protection, and weekly garbage and recycling collection, and provide funding toward city services such as parks, libraries, and mass transit. The annual increase of \$2.40 over the same "bill" in Fiscal Year 2002 is less than a 1% increase and equates to only 20¢ more per month.



City "Bill for Services" for the Typical Homeowner¹

Annual Cost	FY 2002	FY 2003	FY 2004
City Property Taxes ¹	\$ 112.02	\$ 112.02	\$ 112.02
City Sales Tax ²	340.69	340.69	340.69
Tucson Water ^{3,4}	227.16	229.56	229.56
Total	\$ 679.87	\$ 682.27	\$ 682.27
\$ Change		\$ 2.40	\$ -0-
% Change		0.4%	0%

¹Typical Homeowner Definition: Owns a single-family residence with an assessed value of \$100,000; almost half of city residents are renters and don't directly pay property taxes.

²Assumes an average income of \$35,000, with approximately 53% of net income (after federal and state income taxes) spent on taxable purchases, based on U.S. Department of Labor Consumer Expenditure Survey; city sales tax rate of 2%.

³The water bill for Fiscal Year 2003 assumes a single-family residence with 13 Ccf usage per month. Although actual water rates have not been set for Fiscal Year 2003, the amount shown assumes a 1.06% increase for illustration purposes. Actual rates for Fiscal Year 2003 will be presented to the Mayor and Council in August 2002.

⁴The water bill for Fiscal Year 2004 assumes no change, because it is too early to speculate on water rate schedules for Fiscal Year 2004.



CITY OF TUCSON

OFFICE OF THE CITY MANAGER

April 15, 2002

Honorable Mayor and Members of Council:

This has been a difficult year for the nation and our economy. Fortunately for the city, we began taking action early in the current budget year to curtail spending and adjust revenue estimates, so that we avoided any current year budget crises, unlike the state, and lessened the impact of the hard choices we faced in putting together the Recommended Biennial Budget for Fiscal Years 2003 and 2004. Nonetheless, the proposed biennial budget is a conservative budget that has held down spending in the face of rising costs and increasing population. This year, inflation (cost of services) was approximately 2%. In addition, every year another 10,000 people move into the City of Tucson. Combined with annual population growth, our budget growth needs to be 4% to keep service levels status quo.

The proposed budget that I am submitting to Council totals \$917.5 million for All Funds for Fiscal Year 2003. This is an increase of just 1.5% over last year's budget. The General Purpose Funds Budget, which is the local tax supported portion of the budget, totals \$385.9 million. This is an actual decrease from the current year budget of half a million dollars. The Fiscal Year 2003 Budget also reduces the size of the city work force, by eliminating 96 positions. We expect to cut back those positions without layoffs, because we began tightly managing the current year budget and freezing hiring many months ago.

While our city grows, government is smaller in this budget. Recognizing the uncertain economic times facing the country and Tucson citizens, this budget also does not increase taxes or propose new revenues to balance the budget. As you know, the City of Tucson currently collects less than 8% of the property taxes on a citizen's property tax bill. The rest goes to the county, school districts, and others. The Fiscal Year 2003 budget actually reduces the combined city tax rate for property owners by 7 cents, to \$1.05 per hundred dollars of valuation.

The proposed half-cent sales tax to be dedicated for transportation is not included within this proposed budget. Voters will make that decision on May 21. A companion document to this budget has been produced which identifies the budget for the annual \$40 million the tax will raise and the specific transportation projects for which the funding will be dedicated.

The proposed budget, however, does maintain baseline funding for transportation as required under the ballot initiative. In fact, Fiscal Year 2003 transportation funding increases from \$174.5 in Fiscal Year 2002 to \$181.6 million.

In addition, the Fiscal Year 2003 and Fiscal Year 2004 Budget cuts we had to make because of the economic downturn were concentrated in the areas of Elected and Officials budgets, Support Services, and Strategic Initiatives. The Neighborhood Services area, which includes such essential services as Police and Fire, Parks and Libraries, actually has increases in its General Purpose Funds, growing by 5%. In the area of Police, we withheld funding for some positions but did not permanently eliminate them as we did in other department budgets. The General Purpose Funds Budget for Police grows by more than 8% in the proposed budget.

There are reductions in the area of Environment and Development, but these are primarily concentrated in Solid Waste, which has a 13% decrease from the current budget year. The good news here is that our budget predicament forced a review of our service delivery approach. Our move to the *One Plus One* program, already approved by Council, will actually allow us to take this cut and improve service to our customers. Going to once a week regular garbage pick-up allows us to add weekly curbside recycling for our customers and improve our environmental performance.

The contributions to Outside Agencies are reduced by 10% this year. While we recognize this can have some impact, cuts have also been taken across city departments. The proposed Tucson Convention Center budget, for example, is \$500,000 less than the current year. To enhance accountability of Outside Agencies, we have initiated a new system for allocating human service funding.

Acknowledging the critical need for comprehensive planning in our growing city, the Fiscal Years 2003 and 2004 Budget increases funding in the Planning Department, and includes \$250,000 for consultant assistance for important Council initiatives including the Houghton Corridor Master Plan, the cost of service element of the General Plan, and planning initiatives for the city core.

Finally, the proposed budget includes full year funding for both the classification and compensation recommendations of the Waters study for all city employees. For the first time, the city has established a pay plan that is based on keeping all employee wages competitive with the market on a consistent basis. The city's merit performance pay system is also funded and the proposed budget includes \$1 million for increased pension costs at no cost to employees and funds a 15% increase in health care costs.

Reorganization for Better Service

As you know, the city budget is more than simply a balance sheet of income and expenses. Our purpose is to provide service to the community. We do that through what we fund and how we fund it. We also do that through how we are organized, how we work, what our work ethic is, and how creative and customer/citizen oriented we are. For that reason, this budget will also reflect reorganizations of city staff and functions to begin to align our existing resources and community needs more directly.

Changes in Development Services and the creation of the new Department of Neighborhood Resources are some examples. Reorganization around Downtown and Rio Nuevo is ongoing. Also in response to the Council Strategic Plan, this budget also will accommodate proposed changes in planning, to commit to future focused planning in a major way. Creation of a Comprehensive Planning Task Force, with staff from a revamped Comprehensive Planning Department, Transportation, Finance and Budget, and service departments is envisioned.

Taxpayer Impact and Service Value

The proposed budget keeps funding in the right places. Police and Fire per capita spending increases, for example, while per capita spending in the total proposed budget decreases to \$1,805 in Fiscal Year 2003 and to \$1,682 in Fiscal Year 2004, a 7% decrease from our current year. Per capita spending figures correlate the size of the city budget with our population growth to show the relative size of government year to year.

The city "Bill for Services" for the typical homeowner also decreases. This is what a citizen would pay yearly in city property taxes and city sales tax and for their annual water bill. The property tax rate declines, as does the typical water bill. That "bill" decreases from \$679.87 in Fiscal Year 2002 to \$666.20 for Fiscal Year 2003. (Even if we assume property reassessments at 10%, along with 2% inflation for the year, the "bill" still declines.) Almost half of city residents also do not directly pay property taxes because they rent.

The city "Bill for Services" for Fiscal Year 2003 will cost the typical homeowner \$55 a month. For this, we will provide water, weekly trash pick-up and recycling, police and fire protection, and funding toward other city services such as parks, libraries, and mass transit.

Background-The Year in Review

When staff began work on this budget last August, it was clear that we would face a challenging year ahead. The sales tax, which is the main revenue source for the city, is highly dependent on the condition of the economy. We had reduced the projections for sales tax growth in the current budget (Fiscal Year 2002) to a 4.3% increase. In recent years sales tax had been increasing 7-8% per year. After September 11, it became clear that even a 4.3% increase was too optimistic. We downgraded our growth estimate to less than 2% for the year, which has proven to be accurate.

As we looked ahead to the Fiscal Year 2003 budget year, we faced a \$45 million deficit. This is more than 10% of the total General Purpose Funds. Accordingly, we initiated a hiring freeze and departments were asked to manage expenditures tightly. We targeted saving \$10 million in the current year to help us get through this year and provide some cushion for next year, a target we will meet.

Of the \$45 million deficit, \$25 million was cut out of the Fiscal Year 2003 budget at the start of the budget process by disallowing any inflationary or cost of service increases, by deferring some planned capital and equipment replacement and maintenance, and by not funding planned contributions to the city's fiscal reserves. That left \$20 million remaining to be cut. This proposed budget includes those cuts and results in the Fiscal Year 2003 General Purpose Funds Budget of \$385.9 million that is lower than the current budget year.

Future Shock: The Years Ahead

The Fiscal Year 2003 Budget is balanced. The Fiscal Year 2004 Budget still anticipates a \$10 million gap. Fiscal Year 2003 assumes that sales tax growth will increase back to a 4% level. This is twice the rate of the current year but significantly under the growth rate of the late 1990's. The Fiscal Year 2004 projections increase to 5%. I am cautious about Fiscal Year 2003 and am hopeful that we are underestimating Fiscal Year 2004. Should the economy really improve, better revenue streams will resolve the projected gap for Fiscal Year 2004.

The Mayor and Council will adopt the Fiscal Year 2003 and Fiscal Year 2004 Biennial Budget, but appropriate only the budget for Fiscal Year 2003. Fiscal Year 2004 is included to reduce the amount of redundant budget work staff departments do each year- to free up time for program evaluation and analysis to improve service, and to provide context and a planning framework beyond a single year horizon. Next year, we will update revenue and expenditure projections, and Mayor and Council will adopt the Fiscal Year 2004 Budget and appropriations. From the Council and the public perspective, the biennial budget process should be effectively indistinguishable from our past annual budget processes. For Fiscal Year 2004, the Council will still review the proposed budget and have the opportunity to make adjustments.

We have been able to propose the Fiscal Year 2003 and Fiscal Year 2004 Biennial Budget without tax increases and new revenues because we have cut back city services and deferred some important fiscal investments. Such deferrals cannot be sustained into the future. Fiscal reserves, in particular, have been drawn down to assist with getting the city through this challenging year. Fiscal reserves will total \$31 million by Fiscal Year 2004, a decline of 40% since Fiscal Year 2001. The Environmental Reserve Fund of almost \$29 million in Fiscal Year 2001 is reduced to \$11 million in Fiscal Year 2004. The Deferred Maintenance Reserve of \$6 million was reduced to \$3 million for Fiscal Year 2002 and does not grow in the proposed budget. The Strategic Reserve (which is the city's only real protection against unexpected expenditures or revenue downturns) should be \$27 million by Fiscal Year 2004 under Council policy. It remains frozen at \$17 million.

Also, if the state's financial condition deteriorates, cities are increasingly at risk if the state passes the solutions to its funding problems down to cities, either in the form of reductions in state-shared revenues or mandates for services without accompanying funding.

Full participation at the local level will also be crucial. Pima County's timely participation and payment of its share of library funding, for example, is essential to maintaining even current library service levels, let alone planning for future growth of the system, as our region grows. The city and county should mutually develop a master plan for libraries needs and funding for the years ahead.

In fact, planning for the future must become the *modus operandi* for the city in all venues. How much care and effort is applied to planning for future growth will determine not only the quality of our community but how we will pay for needed services. This is why the Fiscal Year 2003 Budget, even in a difficult year, focuses on planning, in keeping with the Council's strategic plan direction to elevate comprehensive planning to the highest level.

The same is true for our efforts in economic development. Continued improvement in the ability of our community to create wealth and provide jobs that pay well is critical to the city's ability to provide essential services. Ironically, that ability is affected by how well we provide services.

Without quality essential services and quality of life, Tucson will not attract and retain businesses and jobs in our competitive, now global, economy. Public safety, transportation, parks and libraries, solid waste and water—if we don't take the lead in these arenas to solve problems and continually strive for better service, our city is put at great risk.

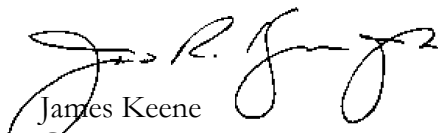
Conclusion

In a difficult economic year that results in smaller government, I believe that the budget I present you does honor the challenge of the future. While the property tax rate is reduced, the cost of city government per capita is lower, and we have fewer employees, this budget still focuses on being responsive to the Council's Strategic Plan and to *protecting core services*—Police and Fire, Parks and Libraries, Transportation funding as required by the proposed ballot initiative, and Solid Waste.

We have tried to put together a budget that is responsive to the times and your directives—to function more as a business would and to be respectful of the financial burdens being carried by many of our citizens.

The City Manager's recommended budget is simply the starting point for the Mayor and Council discussions that will lead to your adoption of your Fiscal Year 2003 and Fiscal Year 2004 Budget. I fully expect you will make changes to the budget, as you hear from your constituents or set new policy direction, as is your responsibility. I hope that we have provided you with a good beginning.

Respectfully submitted,

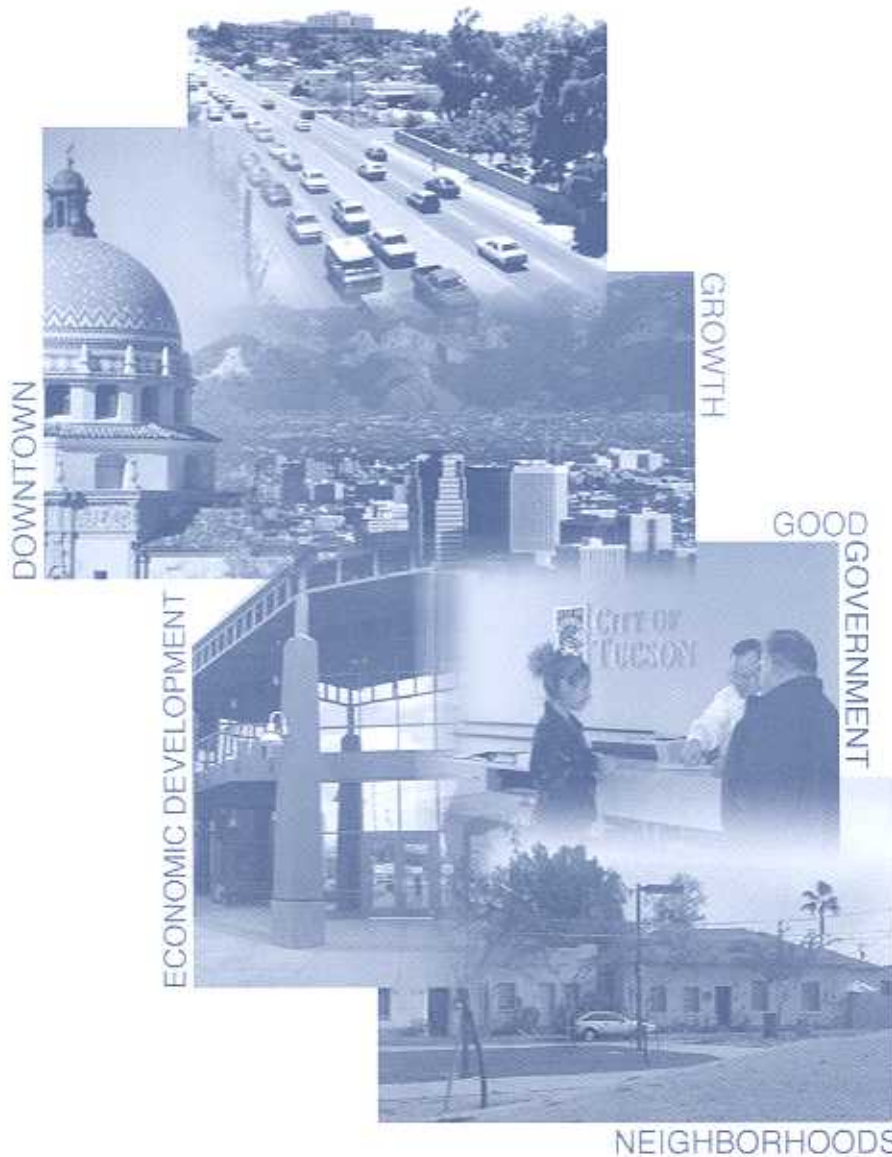


James Keene
City Manager

Section B

City Strategic Plan

TRANSPORTATION





CITY STRATEGIC PLAN

The City of Tucson continues to move forward in its effort to become a more strategic, results-oriented organization. The process began in the mid-1990s with the introduction of performance measurement and the Livable Tucson program, and continues in Fiscal Year 2003 with an organizational realignment and the implementation of the City Strategic Plan.

To become more efficient and effective in delivering quality services to residents, the City of Tucson will follow a four-step strategic approach:

- Use Mayor and Council strategic priorities to guide City of Tucson priorities,
- Align the city organization to effectively carry out these priorities,
- Fund programs and projects which further these priorities, and
- Measure the results of our work and use the information to improve services.

Performance Measurement: The Journey Begins

In the mid-1990s, the city began measuring its performance by developing numerous “Recurring Performance Measures” for each division of the organization. These measures were reported on a quarterly basis and were included in the annual budget document. In the late 1990s, the city’s performance measurement effort was refined by distinguishing between outputs and outcomes, and reducing the number of measures by identifying only the most important, or key, measures of performance.

The Livable Tucson Program

In October 1996, the Mayor and Council adopted the Strategic Approach for Budget Development and Planning — a process for allocating resources based on community-identified values and priorities. To identify initial community priorities, the Livable Tucson Vision Program was initiated with public forums conducted during the spring and summer of 1997. Over 1,200 community members, business people, and city employees participated.

As a result of the community process, 17 community goals were identified. The goals are presented on the following pages. A description of what the City of Tucson is doing to further these goals is presented within each department’s budget.

A Results-Oriented Organization: The Ultimate Goal

Performance measurement and the Livable Tucson program were starting points for the City of Tucson in adopting a more results-oriented, strategic approach to providing services to residents. While the City Strategic Plan has allowed the city to move forward, additional steps still need to be taken.

To better equip the organization to effectively carry out priorities, departments and offices have been realigned into four service areas:

- Support Services
- Neighborhood Services
- Environment and Development
- Strategic Initiatives

A Results-Oriented Organization and A Livable Tucson

These groupings facilitate departments and offices working in partnership to achieve city priorities. The realignment also allows the organization to introduce a more meaningful performance measurement system, one that connects across departments, and helps measure results at all levels of the organization — from divisions down to employees.

City Strategic Plan (Continued)

In a properly aligned organization, all efforts lead upward towards Mayor and Council priorities and community values and interests.

Citizen Survey

Livable Tucson provided an initial foundation for community values and interests. Our community is ever changing, however, and additional sources of data are needed to ensure that our priorities are reflective of the community. One source of community data came from a citizen survey the City of Tucson conducted during 2001 in partnership with the International City/County Management Association (ICMA). Tucson was selected by ICMA as one of five jurisdictions to pilot a citizen survey that will eventually be used to benchmark survey results nationally among cities. Results from the survey are being used by the city council and the city organization to assess current practices and help set future priorities.

Focus Areas and the Strategic Planning Process

On December 17, 2001, as part of a strategic planning process, the Mayor and Council adopted six focus areas to guide improvements and development efforts within this current budget cycle. The focus areas are: Transportation, Downtown, Growth, Neighborhoods, Economic Development, and Good Government. These focus areas will be reviewed and further defined in subsequent budget cycles. Prioritizing areas for more concentrated effort is common in the private sector and more recently in the public sector with the City of Charlotte being the most notable example. Focus areas allow government units to concentrate management initiatives, projects, and strategies, direct training of employees, and use resources effectively. The six focus areas and their relationship to the Livable Tucson Goals are shown in the following table:

CORRESPONDENCE BETWEEN LIVABLE TUCSON GOALS AND FOCUS AREAS						
LIVABLE TUCSON GOALS	Six Focus Areas					
	Transportation	Downtown	Growth	Neighborhoods	Economic Development	Good Government
1. Better Alternatives to Automobile Transportation	x					
2. Engaged Community and Responsive Government		x		x		x
3. Safe Neighborhoods				x		x
4. Caring, Healthy Families and Youth				x		x
5. Excellent Public Education					x	
6. Infill and Reinvestment, Not Urban Sprawl		x	x	x	x	x
7. Abundant Urban Green Space and Recreation Areas			x			
8. Protected Natural Desert Environment			x			
9. Better Paying Jobs					x	
10. Clean Air and Quality Water	x					x
11. People-Oriented Neighborhoods	x			x		x
12. Respected Historic and Cultural Resources		x				x
13. Quality Job Training					x	
14. Reduced Poverty and Greater Equality of Opportunity					x	x
15. Strong Local Businesses		x			x	
16. Efficient Use of Natural Resources			x			x
17. Successful Downtown	x	x		x	x	x

City Strategic Plan (Continued)

During special strategic planning sessions held during early 2002, the Mayor and Council discussed each of the focus areas in greater depth. These working sessions were an important prelude to Fiscal Years 2003 and 2004 budget preparations. In light of the difficult budget years ahead, having a set of priorities for the city is of particular importance and enables city resources to be organized more effectively to accomplish Council priorities. Setting focus areas and identifying priority projects not only helps direct limited resources in the Fiscal Years 2003 and 2004 budgets, but also clarifies for staff the results that Mayor and Council believe are important to achieve.

Within each focus area, the Mayor and Council have adopted a set of strategies and priority projects. Taken collectively, the focus area projects set the workplan for the organization. Performance measures, which are included in this document, set specific indicators of progress for each focus area. City staff will report periodically to Mayor and Council on the performance measures and provide updates on the projects listed in this document.

The City Strategic Plan directs the city's limited resources so that they further the Mayor and Council's agenda and have practical results in the short-term, as well as significant, long-term impact on the community. The City Strategic Plan can be found on the city's Website (www.cityoftucson.org), in the City Government Section.



CITY STRATEGIC PLAN FOCUS AREAS AND STRATEGIES

Transportation

1. Seek and obtain resources necessary to improve the transportation system.
2. Provide leadership within the region to address transportation system needs.
3. Develop some alternative land use patterns to promote a more effective transportation system.
4. Deploy Community Character and Design policies in transportation projects.

Downtown

1. Aggressively manage downtown's redevelopment through partnering efforts with public and private organizations and individuals active in the downtown.
2. Provide a highly "amenitized" urban center focused on the proposed entertainment experience area on Congress Street from Church Street to 4th Avenue, linked with the Tucson Convention Center and its adjoining proposed Civic Plaza.
3. Leverage private leadership and investment in downtown through targeted public investment.

Growth

Overarching Strategy: Elevate long range comprehensive planning to the highest level priority for the City of Tucson.

1. Ensure the balanced growth of the community.
2. Build effective relationships with regional partners.
3. Implement the General Plan's cost of development strategy.
4. Improve service delivery to address the demands of a growing community.

Neighborhoods

1. The Human Environment - Maintain and strengthen human connections within neighborhoods, encourage inclusive participation, foster safety, strengthen neighborhood leadership, and encourage a greater sense of community stewardship.
2. The Built Environment - Invest public funding and encourage private investment and public/private partnerships in Tucson's neighborhoods and enhance their appearance and livability.
3. The Natural Environment - Respect and preserve our natural environment.

Economic Development

Overarching Strategy: Recognize that every public policy decision has an economic component. Investment in public infrastructure and services, transportation, downtown, neighborhoods, and how we plan for and manage growth are key components of a healthy economy.

1. Foster a strong, diversified economy by creating, attracting, and retaining businesses that provide knowledge-based, high-quality employment opportunities.
2. Support the development of a prepared and successful workforce.
3. Improve community infrastructure to support and encourage economic expansion and opportunity in a global marketplace.

Good Government

1. Improved Customer Service - Position the city to provide the highest level of customer service to city residents and the community at large.
2. Prepared Workforce - Enable and support the development of a prepared and successful employee workforce that is aligned with organizational priorities.
3. Fiscal Responsibility - Optimize and streamline organizational processes to ensure quality services and fiscal responsibility.
4. Expanded Use of Technology - Capitalize on technology to improve service and increase efficiency, ensure public and employee safety, exercise appropriate environmental stewardship, and provide greater information access.
5. Strengthen Partnerships - Build a strategic network of partnerships that aim at bettering community life, eliminating redundant services, and stretching the value of the taxpayer's dollar.



LIVABLE TUCSON GOALS

Following are the 17 Livable Tucson Goals as identified and prioritized during the *Livable Tucson Vision Program*.



Better Alternatives to Automobile Transportation

Definition: An improved public transportation system; bicycle- and pedestrian-friendly streets; improved roadways with landscaping, street lighting, sidewalks, and bus stops; the promotion of alternatives to automobile transportation.



Engaged Community and Responsive Government

Definition: Involvement by citizens in volunteering and neighborhood participation; government responsiveness to citizen input; connection between government and the people.



Safe Neighborhoods

Definition: People feel safe in their neighborhoods; positive perceptions about crime-levels and policing.



Caring, Healthy Families and Youth

Definition: Opportunities, services, and conditions that support families and youth.



Excellent Public Education

Definition: Quality education at all levels; availability of vocational, lifeskills, cultural, and civic training.



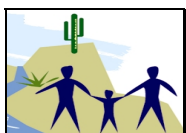
Infill and Reinvestment, Not Urban Sprawl

Definition: Well-planned growth; management of urban sprawl; development in the city's core, rather than the periphery.



Abundant Urban Green Space and Recreation Areas

Definition: Recreation and green space within the city including neighborhood and regional parks; common space and community gardens; bicycle and pedestrian paths; trees and urban landscaping.



Protected Natural Desert Environment

Definition: Protection of the Sonoran Desert eco-system and protection of washes, hillsides, open space, and wildlife.

Livable Tucson Goals (Continued)



Better Paying Jobs

Definition: More jobs with good wages; job quality and diversity; an improved standard of living.



Clean Air and Quality Water

Definition: Reduced air pollution; provision of clean, potable water.



People-Oriented Neighborhoods

Definition: Design of new neighborhoods and investment in old neighborhoods that promotes a mix of commercial and residential uses; neighborhoods with a pedestrian focus, landscaping, and interaction among residents.



Respected Historic and Cultural Resources

Definition: Preservation and celebration of local landmarks, buildings, neighborhoods, archeological treasures, open spaces, cultures, and traditions.



Quality Job Training

Definition: Education, training, and skill development that will lead to high quality, living wage jobs.



Reduced Poverty and Greater Equality of Opportunity

Definition: The fair distribution of resources, creating opportunities to overcome poverty and social and economic inequalities.



Strong Local Businesses

Definition: Support for the local economy, particularly small locally owned businesses.



Efficient Use of Natural Resources

Definition: Conservation of natural resources and use of sustainable energy sources.



Successful Downtown

Definition: Promotion and development of the cultural and commercial aspects of the city center.

Section C

Legal Authorization

TRANSPORTATION



DOWNTOWN



GROWTH



GOOD
GOVERNMENT

ECONOMIC DEVELOPMENT



NEIGHBORHOODS



LEGAL REQUIREMENTS

The city's budget is subject to requirements set by the State of Arizona's Constitution and statutes, and the Tucson City Charter.

LEGAL REQUIREMENTS IMPOSED BY THE STATE

State Spending Limitation

Tucson, like all cities in the State of Arizona, is subject to numerous budgetary and related legal requirements. Article IX, Section 20(1) of the Arizona Constitution sets out limits on the city's legal budget capacity. In general, the Mayor and Council cannot authorize expenditures of local revenues in excess of the expenditure limitation determined annually by the State of Arizona's Economic Estimates Commission (EEC). This limitation is based on the city's actual expenditures incurred during Fiscal Year 1980, adjusted to reflect subsequent inflation and population growth. Not subject to this limit are items such as bond proceeds, related debt service, interest earnings, certain highway user revenue funds, federal funds, monies received pursuant to intergovernmental agreements, and state grants which are to be used for specific purposes. Each year the EEC recalculates expenditure limitations for population growth and inflation, using the federal Gross Domestic Product (GDP) index to account for inflationary increases.

On November 3, 1987, in accordance with state statutes, the voters of Tucson passed a \$46.9 million increase in the expenditure base used to calculate the city's expenditure limitation. The effect is a permanent increase in the city's expenditure limitation, which the city has used for purposes of improved police, recreational, water, transportation, and fire protection services.

Property Tax Levy Limitation

The Arizona Constitution and Arizona Revised Statutes (ARS) specify a property tax levy limitation system. This system consists of two levies, a limited levy known as the primary property tax levy and an unlimited levy referred to as the secondary property tax levy. The primary levy may be imposed for all purposes, while the secondary levy may only be used to retire the principal and interest or redemption charges on general obligation bonded indebtedness.

Primary Property Tax Levy: There is a strict limitation on how much the city can levy as a primary property tax. This primary property tax levy is limited to an increase of 2% over the previous year's maximum allowable primary levy, plus an increased dollar amount due to a net gain in property not taxed the previous year (ARS §42-17051). Even if the city does not adopt the maximum allowable levy from year to year, the 2% allowable increase will be based on the prior year's "maximum allowable levy." The "net new property" factor is included in the calculation to take into account all new construction and any additional property added to a community due to an annexation. The 2% increase applies to all taxable property.

Secondary Property Tax Levy: The secondary property tax allows the city to levy a property tax for the purpose of retiring the principal and paying interest on general obligation bonds. This levy is referred to as the "unlimited" levy because this property tax may be levied in an amount to make necessary interest payments on, and for the retirement of, general obligation bonds issued by the city.

Not only is the dollar amount of the secondary property tax levy "unlimited," the actual full cash value of property that is used in determining the tax rate will be increased by changes in market value without a cap (Article 9, Section 18 and 19, Arizona Constitution). Unlike the primary tax system which uses a controlled assessment system to determine the tax rate, state laws allow the city to levy the amount of secondary property tax necessary to pay off its general obligation bonds.

Budget Adoption

State law (ARS §42-17101) requires that on or before the third Monday in July of each fiscal year, the Mayor and Council must adopt a tentative budget. Once this tentative budget has been adopted, the expenditures may not be increased upon final adoption. In effect, with the adoption of the tentative budget, the council has set its maximum "limits" for expenditure, but these limits may be reduced upon final adoption.

Once the tentative budget has been adopted, it must be published once a week for at least two consecutive weeks. The tentative budget must be fully itemized in accordance with forms supplied by the auditor general and included in the council meeting minutes.

State law (ARS §42-17104, §42-17105) specifies that seven or more days prior to the date the property tax levy is adopted, the city or town council must adopt the final budget for the fiscal year by roll call vote at a special meeting called for that purpose. State law requires adoption of the tax levy on or before the third Monday in August. The adopted budget then becomes the amount proposed for expenditure in the upcoming fiscal year and shall not exceed the total amount proposed for expenditure in the published estimates (ARS §42-17106). Once adopted, no expenditures shall be made for a purpose not included in the budget and no expenditures shall be made in excess of the amounts specified for each purpose in the budget, except as provided by law. This restriction applies whether or not the city has at any time received, or has on hand, funds or revenue in excess of those required to meet expenditures incurred under the budget. Federal and bond funds are not subject to this requirement.

Adoption Of Tax Levy

State law (ARS §42-17107) governing truth in taxation notice and hearing requires that on or before July 1st, the county assessor shall transmit to the city an estimate of the total net assessed valuation of the city, including an estimate of new property that has been added to the tax roll since the previous levy of property taxes in the city. If the proposed primary property tax levy, excluding amounts that are attributable to new construction, is greater than the amount levied by the city in the preceding year, the governing body shall publish a notice of tax increase. The truth in taxation hearing must be held prior to the adoption of the property tax levy.

The tax levy for the city must be adopted on or before the third Monday in August (ARS §42-17151). The tax levy must be specified in an ordinance adopted by the Mayor and Council. The levy is for both the primary and secondary tax.

Budget Revisions

ARS §42-17106 requires that no expenditures be made for a purpose not included in the adopted budget in any fiscal year in excess of the amount specified for each purpose in the budget. The City of Tucson in its annual Budget Adoption Resolution defines “purpose” as a series of departments and offices organized into the following six program categories:

- 1) Elected and Official
- 2) Neighborhood Services
- 3) Environment and Development
- 4) Strategic Initiatives
- 5) Support Services
- 6) Non-Departmental

The departments within a given program category are held accountable for their budget. Each department and the Budget and Research Department continuously monitor expenditures. If budget changes are needed, city departments prepare budget change requests that identify the areas to be increased and decreased. The Director of Budget and Research approves these budget change requests; under special circumstances the City Manager or his designee also approves the change requests. If there are major policy or program implications associated with a change, the City Manager may submit it to the Mayor and Council for approval. Once approved, the revised appropriation is entered into the city’s financial management system.

ARS §42-17106 permits the Mayor and Council, on the affirmation of a majority of the members at a duly noticed public meeting, to authorize the transfer of funds between program categories if the funds are available so long as the transfer does not violate the state set spending limitations.

LEGAL REQUIREMENTS IMPOSED BY THE CITY CHARTER

Certain legal requirements of the City Charter—property tax limitation and scheduling of budget adoption—are more restrictive than state law.

Property Tax Levy Limitation

Chapter IV, Section 2 of the Tucson Charter sets an upper property tax limit of \$1.75 per \$100 assessed value. Therefore, state laws notwithstanding, the city cannot levy a combined primary and secondary property tax that exceeds \$1.75.

Fiscal Year

The fiscal year of the city begins the first day of July of each year. (Tucson City Charter, Chapter XIII, Section 1)

Submission of the Recommended Budget

The City Charter requires that the City Manager prepare a written estimate of the funds required to conduct the business and affairs of the city for the next fiscal year. This estimate, which is the recommended budget, is due on or before the first Monday in May of each year, or on such date in each year as shall be fixed by the Mayor and Council. (Tucson City Charter, Chapter XIII, Section 3)

Budget Approval

On or before the first Monday in June of each year, or on such date in each year as shall be fixed by the Mayor and Council, the City Manager is required to submit to the Mayor and Council an estimate of the probable expenditures for the coming fiscal year, stating the amount in detail required to meet all expenditures necessary for city purposes, including interest and sinking funds, and outstanding indebtedness. Also required is an estimate of the amount of income expected from all sources and the probable amount required to be raised by taxation to cover expenditures, interest, and sinking funds. (Tucson City Charter, Chapter XVIII, Section 4)

Budget Publication and Hearings

The budget has to be prepared in detail sufficient to show the aggregate sum and the specific items allowed for each and every purpose. The budget and a notice that the Mayor and Council will meet for the purpose of making tax levies must be published in the official newspaper of the city once a week for at least two consecutive weeks following the tentative adoption of such budget. (Tucson City Charter, Chapter XVIII, Section 5)

Adoption of the Budget and Tax Levy

The Mayor and Council are required to hold a public hearing at least one week prior to the day on which tax levies are made, so that taxpayers may be heard in favor of or against any proposed tax levy.

After the hearing has been concluded, the Mayor and Council adopt the budget as finally determined upon. All taxes are to be levied or voted upon in specific sums and cannot exceed the sum specified in the published estimate. (Tucson City Charter, Chapter XVIII, Section 6 and Ordinance Number 1142, effective 6-23-48)

City Ordinance Setting the Tax Rate

On the day set for making tax levies, and not later than the third Monday in August, the Mayor and Council must meet and adopt an ordinance that levies upon assessed valuation of property within the city a rate of taxation sufficient to raise the amounts estimated to be required in the annual budget. (Tucson City Charter, Chapter XVIII, Section 7 and Ordinance Number 1142, effective 6-23-48)

THE CITY'S BUDGET PROCESS

While state and city legal requirements dictate certain facets of the budget process, the budget evolves through a number of steps: (1) identification of priorities, (2) a five-year forecast of revenues and expenditures, (3) department requests and the city manager's recommendation, and (4) Mayor and Council adoption.

A significant change to the budget process is the inclusion of a second year. Throughout this document, a projection is shown for Fiscal Year 2004 to provide a view into how decisions made for Fiscal Year 2003 impact upon the near-term future.

Step 1: Identification of Priorities

In October 1996 the Mayor and Council adopted the "Strategic Cycle for Budget Development and Planning," a process for allocating resources based on identified community values and priorities. The Fiscal Year 2003 budget is the fifth budget to go through all phases of that process, which involved the community in identifying shared values, setting city service priorities, allocating resources to programs and projects, and evaluating the success of programs and projects.

To identify the community's values and priorities, public forums were conducted during the spring and summer of 1997 as part of the *Livable Tucson Vision Program*. Over 1,200 community members, business people, and city employees participated. Seventeen goals for strengthening the community emerged from these forums. These goals are used by departments and city management to assess programs and projects during the preparation of the budget.

The City Strategic Plan was developed to further guide resources towards priority areas and to focus attention on the results to be achieved. In December 2001, the Mayor and Council adopted six focus areas for Fiscal Year 2003: Transportation, Downtown,

Growth, Neighborhoods, Economic Development, and Good Government. Within each focus area, a set of strategies and priority projects were approved. Taken collectively, these projects set the workplan for the city during Fiscal Year 2003.

Step 2: Five-Year Forecast of Revenues and Expenditures

Each summer a five-year financial forecast—the proforma—is prepared for all sources of funds. This financial forecast takes into consideration economic factors and strategic plans implemented by the city. All departments participate by projecting their expenditures, which are reviewed and modified by the Budget and Research Department. The Finance Department projects revenues. The expenditure and revenue forecasts are collated by the Budget and Research Department and presented to the city manager. The proforma then serves as a baseline from which to develop a balanced budget for the coming year.

Step 3: Department Requests and the City Manager's Recommendation

In the fall, department directors are asked to submit budget requests. Following a review by the Budget and Research Department and the Operating Budget Review Committee, each department's requested budget is reviewed by the City Manager. The city manager, acting upon citywide priorities, will revise department requested budgets and prepare a balanced budget for Mayor and Council consideration.

Step 4: Mayor and Council Adoption

As noted earlier, this step in the process is governed by both state and city legal requirements and provides for citizen comment.

Public Hearings: Citizens are provided three public hearings to express to the Mayor and Council their opinions and concerns about the recommended budget and property tax levy. The first public hearing is held prior to the Mayor and Council's study session reviews of the recommended budget. The second public hearing is held subsequent to those reviews and the Mayor and Council's tentative adoption of the budget. The third public hearing is a truth in-taxation hearing regarding the primary property tax levy.

Citizens Advisory Committees: The Mayor and Council have also established two citizen advisory committees for budget oversight: the Budget Advisory Committee (BAC) and the Bond Project Oversight Committee (BPOC). The BAC reviews the budget and financial policies of the city to ensure the Mayor and Council's intentions are carried out. The BPOC tracks the city's use of bond funds through regular committee meetings and attendance at project management reviews.

Mayor and Council Review and Adoption: Within the framework of the identified community priorities and the policy initiatives, the Mayor and Council review the city manager's recommended budget over four study sessions. Department directors are available to respond to questions. Following these reviews and public hearings to obtain taxpayer comments, the Mayor and Council adopt the budget and property tax levy.

**STATEMENT REQUIRED BY ARIZONA REVISED STATUTES 42-17102
RELATIVE TO PROPERTY TAXATION**

**PRIMARY AND SECONDARY TAX LEVIES
FISCAL YEARS 2002 AND 2003**

Property Tax	FY 2002 Levy	FY 2002 Revised (Estimated)	FY 2003 Levy	FY 2003 Maximum Levy Amount	Amount of Levy Increase/ (Decrease)	Percentage Levy Increase/ (Decrease)
Primary	\$ 2,930,900	\$ 2,930,900	\$ 4,612,960	\$ 8,146,101 ¹	\$ 1,682,060	57.4% ²
Secondary	20,953,750	20,953,750	20,756,360 ³	20,756,360	(197,390)	(0.9%)
Total	\$ 23,884,650	\$ 23,884,650	\$ 25,369,320	\$ 28,902,461	\$ 1,484,670	6.2%

Property Tax	Actual FY 2002 Rate	Estimated FY 2003 Rate ⁴	Amount Rate Increase/ (Decrease)	Percentage Rate Increase/ (Decrease)
Primary	\$ 0.1403	\$ 0.2089	\$ 0.0686	48.9%
Secondary	0.9799	0.9113	(0.0686)	(7.0%)
Total	\$ 1.1202	\$ 1.1202	\$ (0.0000)	(0.0%)

¹ The primary property tax levy is shown at the estimated maximum possible amount. The actual maximum amount may be less.

² The primary property tax levy is limited to an increase of two percent over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed in the previous year. The net new property factor is included in the calculation to take into account all new construction and property annexed in the last year.

³ No general obligation bond sales are anticipated for 2002.

⁴ Both of these rates may differ depending upon the final actual assessed valuation for the respective purposes.

**CITY OF TUCSON
PROPERTY TAX SUMMARY**

Taxing Jurisdiction	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
State of Arizona	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Pima County ¹	5.53	5.34	5.27	5.28	5.24	5.34	5.41	5.74	5.72	5.68
Tucson Unified School District ²	4.70	5.80	6.16	6.29	6.99	6.46	6.26	6.03	6.05	5.86
Pima Community College	1.00	1.06	1.10	1.22	1.24	1.18	1.19	1.37	1.56	1.55
Flood Control District	0.59	0.54	0.46	0.36	0.36	0.33	0.32	0.30	0.30	0.35
Fire District	0.05	0.06	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Central Arizona Project (CAP) - Conservation District	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.13	0.13
Sub-Total without the City of Tucson	\$ 12.48	\$ 13.41	\$ 13.65	\$ 13.81	\$ 14.02	\$ 13.50	\$ 13.37	\$ 13.63	\$ 13.81	\$ 13.62
City of Tucson	1.09	1.09	1.16	1.15	1.15	0.99	0.96	1.02	1.13	1.12
Total ³	\$ 13.57	\$ 14.50	\$ 14.81	\$ 14.96	\$ 15.17	\$ 14.49	\$ 14.33	\$ 14.65	\$ 14.94	\$ 14.74
Percent increase/(decrease) from prior year	7.0%	6.9%	2.1%	1.0%	1.4%	(4.5%)	(1.1%)	2.2%	2.0%	(1.3%)
Assessed Valuation										
Primary (in billions)	\$ 1.479	\$ 1.471	\$ 1.498	\$ 1.530	\$ 1.582	\$ 1.727	\$ 1.830	\$ 1.887	\$ 1.999	\$ 2.088
Secondary (in billions)	\$ 1.498	\$ 1.487	\$ 1.547	\$ 1.569	\$ 1.599	\$ 1.819	\$ 1.904	\$ 1.945	\$ 2.049	\$ 2.138

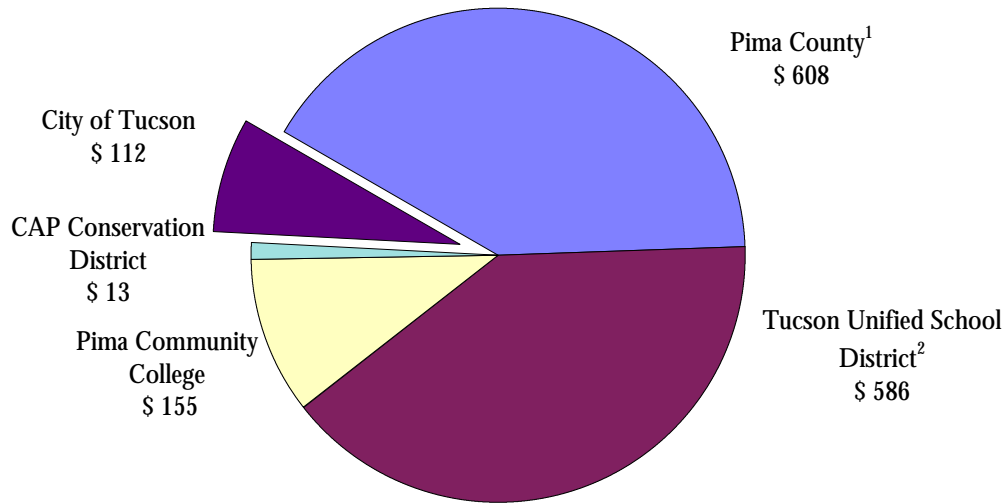
¹ Includes the Education Assistance rate (\$0.50 in Fiscal Year 2002).

² Tucson Unified School District tax levy reflects State Aid to Education decrease (\$3.94 in Fiscal Year 2002).

³ Does not include any special assessment districts.

City of Tucson
Residential Property Owner Tax Valuation
Fiscal Year 2002 Property Taxes

Owner-Occupied Home with Assessed Valuation of \$100,000



	Tax Rate Per \$1,000	Total Tax Amount ³	Percent of Total
Pima County ¹	\$ 6.08	\$ 608.00	41.2%
Tucson Unified School District ²	5.86	586.00	39.8%
Pima Community College	1.55	155.00	10.5%
Central Arizona Project (CAP) Conservation District	0.13	13.00	0.9%
Sub-Total	\$ 13.62	\$ 1,362.00	92.4%
City of Tucson	1.12	112.00	7.6%
Total	\$ 14.74	\$ 1,474.00	100.0%

¹ Includes Flood Control and Fire District tax rates.

² Tucson Unified School District actual levy after decreased for State Aid to Education.

³ The tax amount is calculated on 10% of the assessed value for tax purposes.

ADOPTED BY THE
MAYOR AND COUNCIL

JUL 01 2002

RESOLUTION NO. 19256

RELATING TO FINANCE; FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF TUCSON FOR THE FISCAL YEAR BEGINNING JULY 1, 2002 AND ENDING JUNE 30, 2003, DECLARING THAT TOGETHER SAID EXPENDITURES SHALL CONSTITUTE THE BUDGET OF THE CITY OF TUCSON FOR SUCH FISCAL YEAR.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, and the Charter and Ordinances of the City of Tucson, the Mayor and Council are required to adopt an annual budget; and

WHEREAS, the Mayor and Council have prepared and filed with the City Clerk a proposed budget for the Fiscal Year beginning July 1, 2002 and ending June 30, 2003, which was tentatively adopted on June 17, 2002 and consists of estimates of the amounts of money required to meet the public expenses for that year, an estimate of expected revenues from sources other than direct taxation and the amount needed to be raised by taxation upon real and personal property; and

WHEREAS, due notice has been given by the City Clerk that this tentative budget with supplementary schedules and details is on file and open to inspection by anyone interested; and

WHEREAS, publication of the estimates has been made and the public hearing at which any taxpayer could appear and be heard in favor of or against any proposed expenditure or tax levy has been duly held, and the Mayor and Council are now convened in special meeting to finally determine and adopt estimates of proposed expenditures for the various purposes set forth in the published proposal, all as required by law;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, AS FOLLOWS:

SECTION 1. The Mayor and Council have finally determined the estimates of revenue and expenditures, as set forth in Schedules A, B, C, D, and E, attached and incorporated herein by this reference, which will be required of the City of Tucson for the Fiscal Year beginning July 1, 2002 and ending June 30, 2003, and such finally determined estimates are hereby adopted as the budget of the City of Tucson for said fiscal year.

SECTION 2. The Purposes of Expenditure and the amount finally determined upon for each purpose, as set forth in this section, are necessary for the conduct of the business of the government of the City of Tucson, and such amounts and purposes shall constitute the adopted Expenditure Plan for the City for the 2003 Fiscal Year:

<u>Purpose of Expenditure</u>	<u>Final 2003 Budget</u>
Elected and Official	\$ 14,908,900
Neighborhood Services	360,752,590
Environment and Development	407,623,890
Strategic Initiatives	14,890,120
Support Services	55,325,650
Non-Departmental	<u>82,038,720</u>
TOTAL	<u>\$ 935,539,870</u>

The 2003 Probable Expenditure by Purpose is attached hereto as Exhibit I for information purposes.

SECTION 3. That the Purposes of Expenditure and the amount finally determined upon for each purpose as set forth in this section constitutes the portion of the adopted budget of the City for the 2003 Fiscal Year which is subject to the State Budget Law:

Purpose of Expenditure

Final 2003 Budget
Subject to State Budget Law

Elected and Official	\$ 14,550,950
Neighborhood Services	260,727,380
Environment and Development	262,497,980
Strategic Initiatives	14,390,120
Support Services	53,825,650
Non-Departmental	<u>78,919,610</u>
 TOTAL	 <u>\$ 684,911,690</u>

SECTION 4. That money for any fund may be used for any of the purposes set forth in Section 2, except money specifically restricted by State or Federal law or City Charter, Code, Ordinances or Resolutions or bond covenants.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tucson, Arizona, this 1st day of July, 2002.



MAYOR

ATTEST:



for CITY CLERK

APPROVED AS TO FORM:

REVIEWED BY:



CITY ATTORNEY



CITY MANAGER


DD/alk

SCHEDULE A TO RESOLUTION NO. 19256
CITY OF TUCSON

SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES
FISCAL YEAR 2003

FUND	ADOPTED BUDGETED EXPENDITURES FY 2002	ACTUAL EXPENDITURES FY 2002 ^(A)	UNRESERVED FUND BALANCE AT BEGINNING FY 2003	DIRECT PROPERTY TAX REVENUES FY 2003	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES	PROCEEDS FROM OTHER FUNDING SOURCES	INTERFUND TRANSFERS IN OUT		TOTAL FINANCIAL RESOURCES AVAILABLE	BUDGETED EXPENDITURES FY 2003
1) General Fund	\$ 326,565,120	\$ 296,725,750	\$ 22,179,210	Primary \$ 4,612,960	\$ 295,653,170	\$ 15,802,900	-0-	-0-	\$ 338,248,240	\$ 338,248,240
2) Special Revenue Funds	311,760,320	264,769,880	28,218,440	-0-	292,251,140	-0-	-0-	-0-	320,469,580	320,469,580
3) Debt Service Funds	36,516,650	36,295,760	-0-	Secondary 20,756,360	16,035,270	-0-	-0-	-0-	36,791,630	36,791,630
4) Less: Designation for Future Years	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
5) Total Debt Service Funds	36,516,650	36,295,760	-0-	20,756,360	16,035,270	-0-	-0-	-0-	36,791,630	36,791,630
6) Capital Project Funds	62,753,600	47,095,090	-0-	-0-	-0-	67,774,200	-0-	-0-	67,774,200	67,774,200
7) Enterprise Funds	166,326,240	165,351,580	-0-	-0-	127,991,220	44,265,000	-0-	-0-	172,256,220	172,256,220
8) Expendable Trust Fund	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
9) Nonexpendable Trust Fund	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL ALL FUNDS	\$ 903,921,930	\$ 810,238,060	\$ 50,397,650	\$ 25,369,320	\$ 731,930,800	\$ 127,842,100	-0-	-0-	\$ 935,539,870	\$ 935,539,870

EXPENDITURE LIMITATION COMPARISON

1. Budgeted Expenditures
2. Add/Subtract estimated net reconciling items
3. Budgeted Expenditures Adjusted for Reconciling Items
4. Less: Estimated Exclusions
5. Amount Subject to Expenditure Limitation
6. Economics Estimates Commission Official Expenditure Limitation ^(B)

PREVIOUS FISCAL YEAR	CURRENT FISCAL YEAR
\$ 903,921,930	\$ 935,539,870
-0-	-0-
903,921,930	935,539,870
(423,442,170)	(431,539,590)
480,479,760	504,000,280
\$ 477,548,095	\$ 501,030,598

NOTES:

(A) Includes actual expenditures as of the date the proposed budget was prepared and expenditures expected to be made for the remainder of the fiscal year.

(B) House Bill 2359 provides a onetime adjustment of the Expenditure Limitation which is \$535,083,991. If the city expends over the "official" but under the "adjusted" amount the penalty will be \$100.

**SCHEDULE B TO RESOLUTION NO. 19256
CITY OF TUCSON**

**SUMMARY OF TAX LEVY AND TAX RATE INFORMATION
FISCAL YEAR 2003**

	<u>2002</u> <u>FISCAL YEAR</u>	<u>ESTIMATED</u> <u>2003</u> <u>FISCAL YEAR</u>
1. Maximum Allowable Primary Property Tax Levy (ARS §42-17051.A.)	\$ 7,775,417	\$ 8,146,101
2. Amount Received from Primary Property Taxation in the 2001-02 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (ARS §42-17102.A.18.)	-0-	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 2,930,900	\$ 4,612,960
B. Secondary Property Taxes	20,953,750	20,756,360
Total Property Tax Levy Amounts	\$ 23,884,650	\$ 25,369,320
4. Property Taxes Collected*		
A. Primary Property Taxes		
1. 2001-02 Levy	\$ 2,930,900	
2. Prior Years' Levies	-0-	
Total Primary Property Taxes	\$ 2,930,900	
B. Secondary Property Taxes		
1. 2001-02 Levy	\$ 20,953,750	
2. Prior Years' Levies	-0-	
Total Secondary Property Taxes	\$ 20,953,750	
C. Total Property Taxes Collected	\$ 23,884,650	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	\$ 0.1403	\$ 0.2089
2. Secondary Property Tax Rate	0.9799	0.9113
Total City Tax Rate	\$ 1.1202	\$ 1.1202
B. Special Assessment District Tax Rates		

Secondary Property Tax Rates - As of the date the proposed budget was prepared, the city was operating no special assessment districts for which secondary property taxes are levied.

* Includes actual property taxes collected as of the date the proposed budget was prepared and the property taxes expected to be collected for the remainder of the fiscal year.

**SCHEDULE C TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2002</u>	<u>ACTUAL REVENUES 2002</u>	<u>ESTIMATED REVENUES 2003</u>
GENERAL FUND			
Local Taxes			
Business Privilege Tax	\$ 105,769,770	\$ 103,621,610	\$ 104,096,980
Public Utility Tax	7,211,000	6,539,500	7,499,440
Transient Occupancy Tax	7,220,000	6,207,490	7,508,800
Occupational Taxes	-0-	1,971,600	2,100,170
Liquor Taxes	-0-	717,200	731,300
Licenses and Permits	16,677,000	15,860,900	15,953,740
Fines, Forfeitures, and Penalties	6,746,100	6,917,150	7,963,120
Use of Money and Property	5,929,080	3,800,330	6,065,670
Intergovernmental Revenues			
Shared State Taxes	55,422,000	55,743,000	58,013,060
State Grants-In-Aid	2,730,620	2,624,480	2,529,560
State Revenue Sharing	51,047,000	50,755,000	52,388,880
Charges for Services	16,770,130	17,870,600	20,220,760
Non-Revenue Receipts	11,578,060	8,330,610	10,581,690
TOTAL GENERAL FUND	\$ 287,100,760	\$ 280,959,470	\$ 295,653,170
SPECIAL REVENUE FUNDS			
Solid Waste Management Fund			
Business Privilege Tax	\$ 18,062,320	\$ 16,783,580	\$ 14,627,120
Licenses and Permits	10,000	10,000	10,000
Charges for Services	10,184,000	9,715,000	11,141,360
Total Solid Waste Fund	28,256,320	26,508,580	25,778,480
Library Fund			
Business Privilege Tax	8,404,090	8,458,810	9,047,850
Local Grants-In-Aid	9,739,090	9,759,470	10,676,980
Charges for Services	605,000	570,670	629,200
Total Library Fund	18,748,180	18,788,950	20,354,030
Public Safety Academy Fund			
Business Privilege Tax	3,355,420	3,524,730	3,821,750
Charges for Services	827,930	827,930	836,020
Total Public Safety Academy Fund	4,183,350	4,352,660	4,657,770
Capital Agreements Fund			
Local Grants-In-Aid	18,761,500	18,761,500	13,296,400
Total Capital Agreements Fund	18,761,500	18,761,500	13,296,400

**SCHEDULE C TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2002</u>	<u>ACTUAL REVENUES 2002</u>	<u>ESTIMATED REVENUES 2003</u>
SPECIAL REVENUE FUNDS (Continued)			
Highway User Fund			
State Grants-In-Aid	\$ 26,774,280	\$ 29,636,410	\$ 30,385,530
Interest Earnings	1,505,000	1,082,680	1,553,160
Total Highway User Fund	28,279,280	30,719,090	31,938,690
Convention Center Fund			
Business Privilege Tax	2,993,710	3,274,340	7,557,770
Charges for Services	3,813,000	2,809,910	3,929,520
Total Convention Center Fund	6,806,710	6,084,250	11,487,290
Mass Transit Fund			
Business Privilege Tax	25,870,690	24,267,800	27,176,630
State Grants-In-Aid	3,888,520	3,888,520	3,342,950
Charges for Services	10,259,040	9,935,770	10,200,000
Federal Grants	24,824,030	16,140,950	26,057,930
Total Mass Transit Fund	64,842,280	54,233,040	66,777,510
Intermodal Surface Transportation			
Efficiency Act Fund			
Federal Grant	23,124,200	26,329,190	34,250,780
Total ISTEAFund	23,124,200	26,329,190	34,250,780
Community Development			
Block Grant Fund			
Federal Grant	11,779,260	7,952,100	13,093,870
Total Community Development Block Grant Fund	11,779,260	7,952,100	13,093,870
Housing Assistance Fund			
Federal Grant	57,094,960	43,335,970	49,276,030
Charges for Services	1,942,620	2,027,660	2,027,660
Total Housing Assistance Fund	59,037,580	45,363,630	51,303,690
Federal Grants Fund	13,676,560	14,519,880	11,603,620
Other Grants Fund	7,083,200	5,637,740	7,709,010
TOTAL SPECIAL REVENUE FUNDS	\$ 284,578,420	\$ 259,250,610	\$ 292,251,140

**SCHEDULE C TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES

<u>SOURCE OF REVENUES</u>	<u>ADOPTED REVENUES 2002</u>	<u>ACTUAL REVENUES 2002</u>	<u>ESTIMATED REVENUES 2003</u>
DEBT SERVICE FUNDS			
Street and Highway Debt			
State Grants-In-Aid	\$ 15,562,900	\$ 15,554,280	\$ 16,035,270
TOTAL DEBT SERVICE FUNDS	\$ 15,562,900	\$ 15,554,280	\$ 16,035,270
ENTERPRISE FUNDS			
Water Utility			
Water Revenues	\$ 113,516,750	\$ 112,998,890	\$ 117,279,000
Golf Course Fund			
Golf Revenues	11,149,690	10,692,890	10,712,220
TOTAL ENTERPRISE FUNDS	\$ 124,666,440	\$ 123,691,780	\$ 127,991,220
TOTAL	\$ 711,908,520	\$ 679,456,140	\$ 731,930,800

**SCHEDULE D TO RESOLUTION NO. 19256
CITY OF TUCSON**

**SUMMARY BY FUND OF BOND PROCEEDS AND INTERFUND TRANSFERS
FISCAL YEAR 2003**

<u>FUND</u>	<u>PROCEEDS FROM OTHER FINANCING SOURCES</u>	<u>INTERFUND TRANSFERS IN</u>	<u>(OUT)</u>
GENERAL FUND			
Certificates of Participation:			
Fire Department	\$ 1,590,000	-0-	-0-
Operations Department	5,850,000	-0-	-0-
General Expense	8,362,900	-0-	-0-
Total General Fund	\$ 15,802,900	-0-	-0-
SPECIAL REVENUE FUNDS			
CAPITAL PROJECTS FUNDS			
General Obligation Bond Funds	\$ 54,349,400	-0-	-0-
Street and Highway Project Funds	13,424,800	-0-	-0-
Total Capital Projects Funds	\$ 67,774,200	-0-	-0-
ENTERPRISE FUNDS			
Water Revenue Bond Funds	\$ 44,265,000	-0-	-0-
Total Enterprise Funds	\$ 44,265,000	-0-	-0-
TOTAL ALL FUNDS	<u>\$ 127,842,100</u>	<u>-0-</u>	<u>-0-</u>

**SCHEDULE E TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2003

<u>FUND/DEPARTMENT</u>	ADOPTED BUDGETED EXPENDITURES <u>2002</u>	ACTUAL EXPENDITURES <u>2002</u>	BUDGETED EXPENDITURE <u>2003</u>
GENERAL FUND			
Mayor and Council	\$ 2,480,820	\$ 2,352,290	\$ 2,731,960
City Manager	4,173,940	4,146,500	2,194,810
City Clerk	3,796,710	3,796,710	2,681,980
City Attorney	6,428,860	6,424,370	6,787,190
City Court	9,685,810	9,666,820	9,609,740
Community Services	5,666,170	3,799,840	6,371,090
Fire	46,114,910	44,036,910	46,762,960
Parks and Recreation	37,926,840	35,771,690	38,406,170
Police	94,335,610	94,839,740	104,015,470
Neighborhood Resources	6,136,820	3,724,420	4,537,370
Independent Police Auditor	143,000	141,100	147,440
Public Defender	2,072,480	2,072,480	2,262,620
Development Services	7,098,080	6,943,750	7,950,940
Planning	3,459,470	3,387,470	2,913,180
Transportation	6,300,440	5,411,110	6,171,040
Environmental Management	3,690,240	2,633,080	3,660,260
Historic Preservation Office	156,350	155,240	130,770
Zoning Examiner	149,940	149,440	157,730
Economic Development	1,665,750	1,615,750	1,520,350
Intergovernmental Relations	539,340	559,560	534,090
Tucson-Mexico Project	449,410	449,410	580,830
Budget and Research	2,318,740	2,243,740	2,137,100
Finance	6,937,270	6,937,270	7,321,740
Human Resources	3,070,330	3,070,330	2,977,290
Information Technology	12,219,200	11,959,520	11,830,050
Operations	23,011,880	16,292,580	23,836,700
Procurement	3,395,960	3,336,330	3,520,360
Equal Opportunity Office	792,930	685,830	702,410
Outside Agencies	7,007,240	6,975,360	6,650,320
General Expense	15,587,520	3,777,020	22,130,540
Debt Service	9,578,060	9,370,090	6,812,830
Contingency	175,000	-0-	200,910
TOTAL GENERAL FUND	\$ 326,565,120	\$ 296,725,750	\$ 338,248,240

**SCHEDULE E TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2003			
<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2002</u>	<u>ACTUAL EXPENDITURES 2002</u>	<u>BUDGETED EXPENDITURE 2003</u>
SPECIAL REVENUE FUNDS			
Solid Waste Management Fund			
Solid Waste Management	\$ 29,393,140	\$ 27,332,390	\$ 30,223,620
Debt Service	1,609,580	1,615,330	303,560
Total Solid Waste Management Fund	31,002,720	28,947,720	30,527,180
Library Fund			
Library	19,299,980	19,340,750	19,854,030
General Expense	-0-	-0-	500,000
Total Library Fund	19,299,980	19,340,750	20,354,030
Public Safety Academy Fund			
Fire	1,656,750	1,656,750	1,946,350
Police	2,595,170	2,503,460	2,455,200
Debt Service	252,930	252,930	256,220
Total Public Safety Academy Fund	4,504,850	4,413,140	4,657,770
Tucson Convention Center Fund			
Tucson Convention Center	6,964,530	6,242,070	11,595,290
Total Tucson Convention Center Fund	6,964,530	6,242,070	11,595,290
Capital Agreements Fund			
Library	1,250,000	-0-	-0-
Parks and Recreation	7,455,200	2,265,600	7,648,500
Transportation	13,288,000	9,094,200	10,234,800
Environmental Management	4,100,000	1,500,000	2,600,000
Debt Service	-0-	800,000	4,800,000
Total Capital Agreements Fund	26,093,200	13,659,800	25,283,300
Highway User Fund			
Neighborhood Resources	3,718,000	2,247,820	1,792,400
Transportation	35,761,100	32,902,380	37,976,860
Debt Service	2,109,790	1,920,630	2,136,830
Outside Agencies	107,000	107,000	101,650
General Expense	153,670	153,670	158,590
Total Highway User Fund	41,849,560	37,331,500	42,166,330
Mass Transit Fund			
Transportation	67,344,680	55,032,360	67,924,710

**SCHEDULE E TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2003

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2002</u>	<u>ACTUAL EXPENDITURES 2002</u>	<u>BUDGETED EXPENDITURE 2003</u>
SPECIAL REVENUE FUNDS (Continued)			
Intermodal Surface Transportation Efficiency Act Fund Transportation	\$ 23,124,200	\$ 26,329,190	\$ 34,250,780
Community Development Block Grant Fund			
Community Services	10,308,000	7,500,840	11,277,360
Neighborhood Resources	1,275,000	255,000	1,645,000
Economic Development	150,000	150,000	125,000
Debt Service	46,260	46,260	46,510
Total Community Development Block Grant Fund	11,779,260	7,952,100	13,093,870
Housing Assistance Funds			
Community Services	58,888,990	45,215,040	51,154,480
Debt Service	148,590	148,590	149,210
Total Housing Assistance Funds	59,037,580	45,363,630	51,303,690
Federal Grants Fund			
City Attorney	325,340	325,340	357,950
Community Services	863,410	944,710	1,651,400
Fire	1,023,800	1,023,800	300,000
Parks and Recreation	949,270	650,120	664,240
Police	8,849,300	9,665,010	6,330,030
Planning	110,000	-0-	80,000
Solid Waste Management	7,100	19,620	-0-
Environmental Management	38,340	38,340	200,000
Historic Preservation Office	10,000	20,000	20,000
Economic Development	-0-	324,220	500,000
Operations	1,500,000	1,500,000	1,500,000
General Expense	-0-	8,720	-0-
Total Federal Grants Fund	13,676,560	14,519,880	11,603,620

**SCHEDULE E TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2003

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES 2002</u>	<u>ACTUAL EXPENDITURES 2002</u>	<u>BUDGETED EXPENDITURE 2003</u>
SPECIAL REVENUE FUNDS (Continued)			
Other Grants Fund			
City Attorney	\$ 122,620	\$ 122,750	\$ 155,010
City Manager	100,000	-0-	-0-
City Court	362,400	162,400	362,000
Community Services	500,000	500,000	500,000
Fire	425,700	425,000	350,000
Library	650,000	500,000	650,000
Parks and Recreation	1,079,510	614,790	1,075,430
Police	1,135,170	874,390	1,098,390
Solid Waste Management	410,000	390,380	410,000
Transportation	245,000	245,000	1,078,000
Historic Preservation Office	271,600	145,100	210,000
Economic Development	-0-	34,560	34,560
Operations	1,500,000	1,500,000	1,500,000
General Expense	281,200	123,370	285,620
Total Other Grants Fund	7,083,200	5,637,740	7,709,010
TOTAL SPECIAL REVENUE FUNDS	\$ 311,760,320	\$ 264,769,880	\$ 320,469,580
DEBT SERVICE FUNDS			
General Obligation Debt Service Fund			
Debt Service	\$ 20,953,750	\$ 20,741,480	\$ 20,756,360
Street and Highway Debt Service Fund			
Debt Service	15,562,900	15,554,280	16,035,270
TOTAL DEBT SERVICE FUNDS	\$ 36,516,650	\$ 36,295,760	\$ 36,791,630
CAPITAL PROJECTS FUNDS			
Fire	\$ 5,337,200	\$ 1,983,100	\$ 6,315,100
Library	5,300,000	3,100,000	1,500,000
Parks and Recreation	11,486,000	2,645,800	18,012,600
Police	1,402,000	2,644,080	1,345,000
Neighborhood Resources	-0-	521,390	-0-
Solid Waste Management	7,035,200	7,035,200	1,952,400
Transportation	28,421,700	24,450,470	33,695,000

**SCHEDULE E TO RESOLUTION NO. 19256
CITY OF TUCSON**

SUMMARY BY DEPARTMENT OF EXPENDITURES WITHIN EACH FUND

FISCAL YEAR 2003

<u>FUND/DEPARTMENT</u>	ADOPTED BUDGETED EXPENDITURES <u>2002</u>	ACTUAL EXPENDITURES <u>2002</u>	BUDGETED EXPENDITURE <u>2003</u>
CAPITAL PROJECTS FUNDS (Continued)			
Environmental Management	\$ 2,801,600	\$ 4,090,210	\$ 4,239,800
Operations	164,800	164,800	-0-
General Expense	805,100	460,040	714,300
TOTAL CAPITAL PROJECTS FUNDS	\$ 62,753,600	\$ 47,095,090	\$ 67,774,200
ENTERPRISE FUNDS			
Tucson Water	\$ 155,176,550	\$ 154,658,690	\$ 161,544,000
Tucson City Golf	11,149,690	10,692,890	10,712,220
TOTAL ENTERPRISE FUNDS	\$ 166,326,240	\$ 165,351,580	\$ 172,256,220
TOTAL CITY FUNDS	\$ 903,921,930	\$ 810,238,060	\$ 935,539,870

EXHIBIT I TO RESOLUTION NO. 19256

<u>Purpose of Expenditure</u>	<u>Final 2003 Budget</u>	<u>Final 2003 Budget Subject to State Budget Law</u>
Elected and Official		
Mayor and Council	\$ 2,731,960	\$ 2,731,960
City Manager	2,194,810	2,194,810
City Clerk	2,681,980	2,681,980
City Attorney	7,300,150	6,942,200
Elected and Official Sub-Total	<u>14,908,900</u>	<u>14,550,950</u>
Neighborhood Services		
City Court	9,971,740	9,971,740
Community Services	70,954,330	6,871,090
Fire	55,674,410	49,059,310
Library	22,004,030	3,991,430
Parks and Recreation	65,806,940	65,142,700
Tucson City Golf	10,712,220	10,712,220
Police	115,244,090	107,569,060
Neighborhood Resources	7,974,770	4,999,770
Independent Police Auditor	147,440	147,440
Public Defender	2,262,620	2,262,620
Neighborhood Services Sub-Total	<u>360,752,590</u>	<u>260,727,380</u>
Environment and Development		
Development Services	7,950,940	7,950,940
Planning	2,993,180	2,913,180
Solid Waste Management	32,586,020	30,633,620
Transportation	191,331,190	97,327,480
Tucson Water	161,544,000	116,914,000
Environmental Management	10,700,060	6,260,260
Historic Preservation Office	360,770	340,770
Zoning Examiner	157,730	157,730
Environment and Development Sub-Total	<u>407,623,890</u>	<u>262,497,980</u>
Strategic Initiatives		
Tucson Convention Center	11,595,290	11,595,290
Economic Development	2,179,910	1,679,910
Intergovernmental Relations	534,090	534,090
Tucson-Mexico Trade Office	580,830	580,830
Strategic Initiatives Sub-total	<u>14,890,120</u>	<u>14,390,120</u>
Support Services		
Budget and Research	2,137,100	2,137,100
Finance	7,321,740	7,321,740
Human Resources	2,977,290	2,977,290
Information Technology	11,830,050	11,830,050
Operations	26,836,700	25,336,700
Procurement	3,520,360	3,520,360
Equal Opportunity Office	702,410	702,410
Support Services Sub-Total	<u>55,325,650</u>	<u>53,825,650</u>
Non-Departmental		
Outside Agencies	6,751,970	4,632,780
General Expense	23,789,050	22,789,130
Debt Service	51,296,790	51,296,790
Contingency	200,910	200,910
Non-Departmental	<u>82,038,720</u>	<u>78,919,610</u>
TOTAL	<u><u>\$ 935,539,870</u></u>	<u><u>\$ 684,911,690</u></u>

ADOPTED BY THE
MAYOR AND COUNCIL

JUL 08 2002

ORDINANCE NO. 9740

RELATING TO TAXATION; FIXING, LEVYING, AND ASSESSING PRIMARY AND SECONDARY PROPERTY TAXES FOR THE CITY OF TUCSON UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF TUCSON SUBJECT TO TAXATION, EACH IN A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS OF VALUATION, SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNTS ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE AND UNENCUMBERED BALANCES FROM THE PREVIOUS FISCAL YEAR; PROVIDING FUNDS FOR VARIOUS PURPOSES, ALL FOR THE FISCAL YEAR ENDING JUNE 30, 2003.

WHEREAS, the truth in property taxation public hearing was held on July 1, 2002; and

WHEREAS, the public hearing for the purpose of hearing taxpayers was held on July 1, 2002, after which a Special Meeting of the Mayor and Council was duly convened during which a Budget of Proposed Expenditures was adopted in final form for the Fiscal Year 2003;

WHEREAS, pursuant to the provisions of the laws of the State of Arizona and the Charter of the City of Tucson, the Mayor and Council of the City of Tucson are required to fix, levy, and assess a primary and a secondary rate of taxation upon each One Hundred Dollars (\$100.00) of the assessed valuation of all real and personal property subject to taxation within the City sufficient to raise the amount estimated to be required in the annual budget to pay municipal expenses during the fiscal year ending June 30, 2003, less the amounts estimated to be received from all other sources of revenue and unencumbered balances from the previous fiscal year;

WHEREAS, the County of Pima is per State law the assessing and collecting authority for the City of Tucson;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, AS FOLLOWS:

SECTION 1. There is hereby levied on each One Hundred Dollars (\$100.00) of the assessed valuation of all property, both real and personal, within the corporate limits of the City of Tucson, except such property as may by law be exempt from taxation, a primary property tax rate sufficient to raise the sum of FOUR MILLION SIX HUNDRED TWELVE THOUSAND AND NINE HUNDRED SIXTY DOLLARS (\$4,612,960) or the sum equal to the maximum aggregate amount of primary property taxes allowed by law, whichever is the less, for the purpose of providing a General Fund for the City of Tucson for the fiscal year ending the June 30, 2003.

SECTION 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of assessed valuation of all property both real and personal, within the corporate limits of the City of Tucson, except such property as may be by law exempt from taxation, a secondary property tax rate sufficient to raise the sum of TWENTY MILLION SEVEN HUNDRED FIFTY-SIX THOUSAND AND THREE HUNDRED SIXTY DOLLARS (\$20,756,360), but not more than the actual general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Tucson for the fiscal year ending June 30, 2003.

SECTION 3. That the taxes assessed and levied in Sections 1 and 2 of this Ordinance are, and shall become, due and payable to the County Treasurer and Ex-officio Tax Collector of Pima County at his office in the Pima County

Courthouse in the City of Tucson in the same manner and at the same time as provided by law for the collection and payment of State and County property taxes.

SECTION 4. That the City Clerk is authorized and directed to cause certified copies of this ordinance to be forthwith personally delivered to the Pima County Treasurer and to the Chairman of the Board of Supervisors of Pima County, Arizona, and to cause this Ordinance to be published for three consecutive issues in the official newspaper of the City of Tucson published and circulated in the City of Tucson.

SECTION 5. WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Tucson that this resolution become immediately effective, an emergency is hereby declared to exist and this resolution shall be effective immediately upon its passage and adoption.

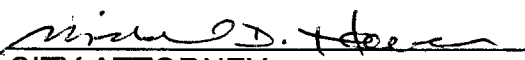
PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Tucson, Arizona, July 8, 2002.


MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY

REVIEWED BY:


CITY MANAGER

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Section D

Community Statistical Profile

TRANSPORTATION



DOWNTOWN

GROWTH

GOOD
GOVERNMENT

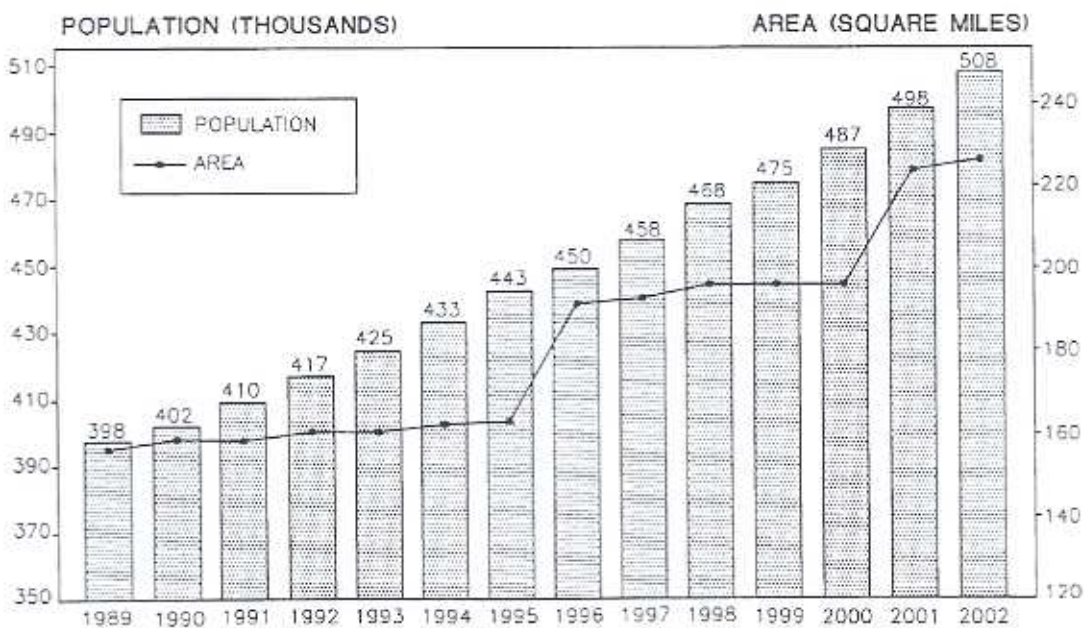
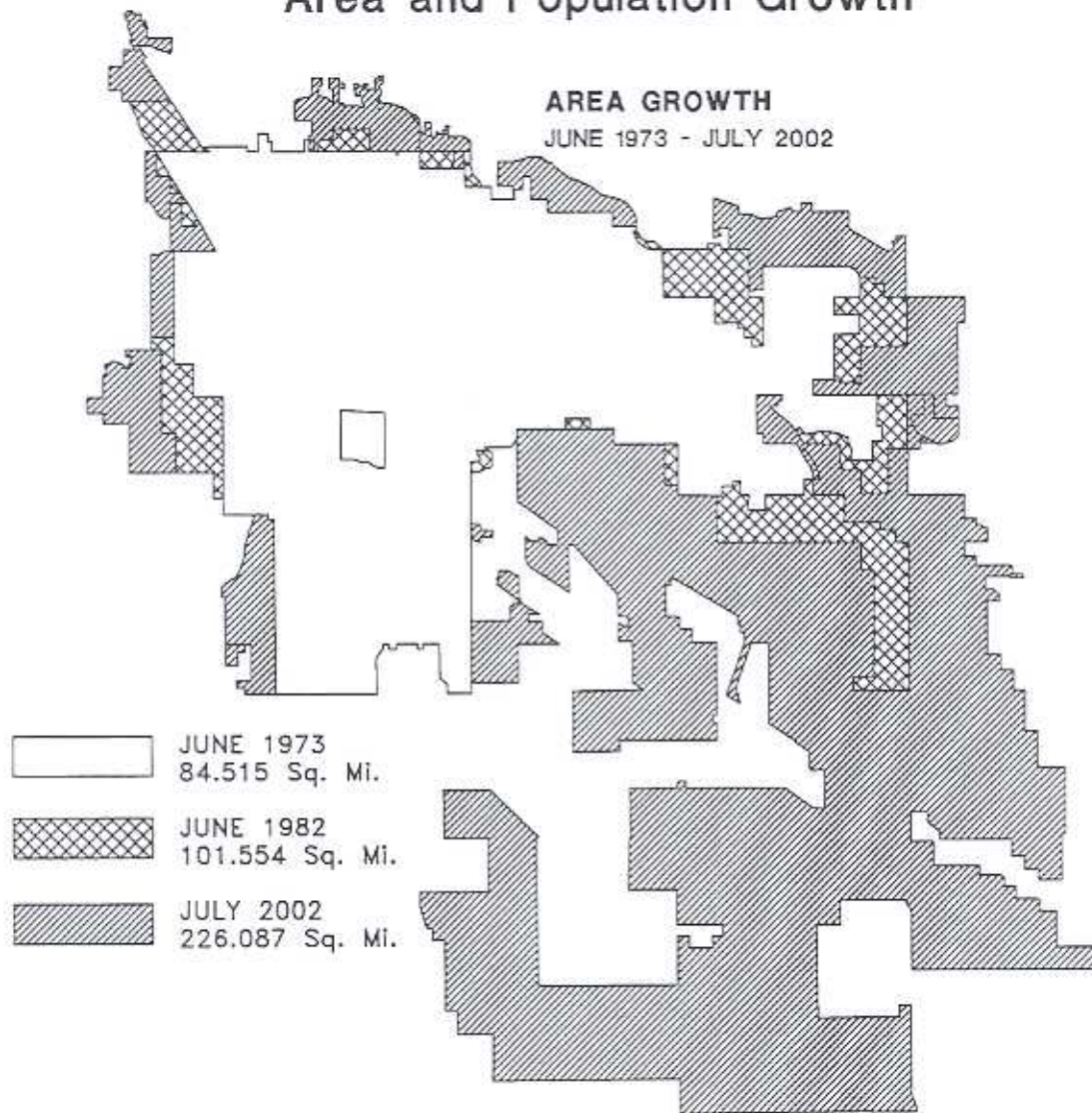
ECONOMIC DEVELOPMENT



NEIGHBORHOODS

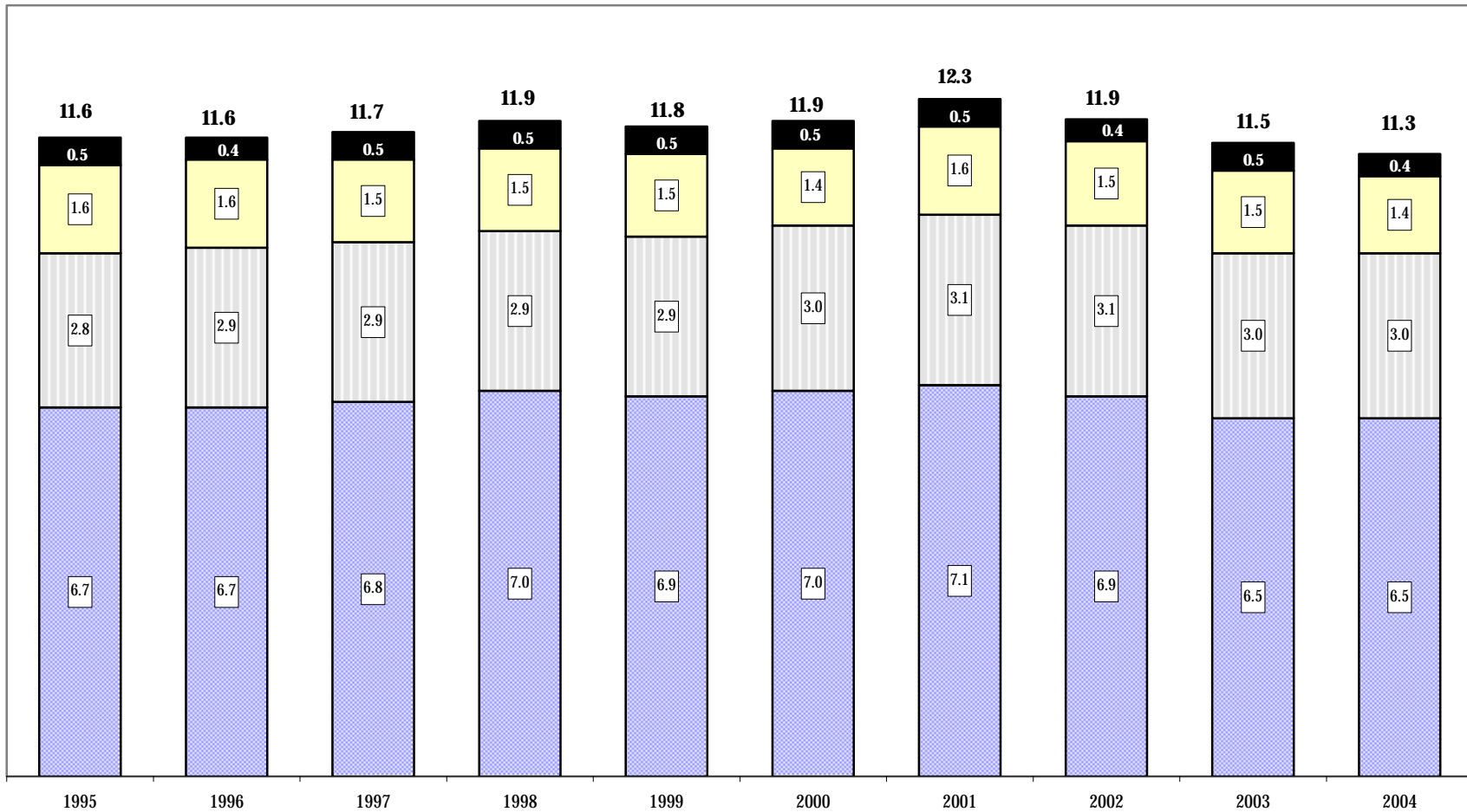


City of Tucson Area and Population Growth



NUMBER OF CITY EMPLOYEES PER 1,000 POPULATION

Recurring Revenues
 Utilities (Golf and Water)
 Commissioned Public Safety Personnel
 Grant-Funded Positions



SELECTED ECONOMIC INDICATORS

Tucson Metro Area

Description	2001	Calendar Year		2004
		2002	2003	
Personal Income (Billions of Dollars)	\$ 21.830	\$ 22.307	\$ 23.671	\$ 25.441
Percentage Change Over Prior Year	5.5	2.2	6.1	7.5
Retail Sales Without Food (Billions of Dollars)*	\$ 6.961	\$ 6.965	\$ 7.423	\$ 7.899
Percentage Change Over Prior Year	2.32	0.06	6.57	6.42
Residential Building Permits (Units)	8,154	6,532	7,550	9,932
Percentage Change Over Prior Year	4.6	(19.9)	15.6	31.5
Population (000)**	868.5	883.4	900.7	923.3
Percentage Change Over Prior Year	2.5	1.7	2.0	2.5
Wage and Salary Employment (000)	353.1	351.1	360.1	373.0
Percentage Change Over Prior Year	0.8	(0.6)	2.6	3.6
Employment/Population Ratio	.407	.397	.400	.453
Real Per Capita Disposable Income (1982 Dollars)	\$ 11,952	\$ 11,789	\$ 12,015	\$ 12,316
Percentage Change Over Prior Year	(0.6)	(1.4)	1.9	2.5
Annual Earnings Per Worker	\$ 31,151	\$ 32,398	\$ 33,465	\$ 34,618
Percentage Change Over Prior Year	5.0	4.0	3.3	3.4
Consumer Price Index (CPI) Western Region (Percentage Change)	3.7	2.2	2.6	2.6
Personal Consumption Deflator (Percentage Change)	1.9	0.9	2.3	2.4
Gross Domestic Product (GDP) Implicit Price Deflator (Percentage Change)	2.3	1.4	2.2	2.3
Gasoline Sales (Millions of Gallons)	390.2	403.6	413.9	428.1
Percentage Change Over Prior Year	(2.5)	3.4	2.6	3.4

Source: Economic Outlook, February 2002, Economics and Business Research Program, Eller College of Business and Public Administration, The University of Arizona.

*Calculated by combining expenditures for retail sales less food with restaurant and bar sales.

**Population projections were made prior to Census 2000 using different base data than population data on page D-6.

COMMUNITY PROFILE

TUCSON - Combining a Rich History with a Bright Future

Permanent settlements were built in Tucson nearly 2,000 years ago by people of the Hohokam culture.



A Long History of Many Cultures

The Hohokam culture thrived in this region until it suddenly declined during the fourteenth century. Native American cultures believed to be probable descendants of the Hohokam were joined by new arrivals from Spain, Mexico, and the eastern United States.

Mission San Xavier del Bac, the “White Dove of the Desert,” was established by the Franciscan Order in the late 1600s and still serves the Tohono O’Odham Native American community. The mission was recently restored, with the cleaning of interior frescoes done by European artists who trained local Tohono O’Odham tribal members in the craft.

More than 300 years after Tucson’s founding as a mission site, the “Old Pueblo” continues to grow and celebrate its diverse cultural influences.

An Interesting Place to Live

Located in the Sonoran Desert, Tucson is surrounded by mountain ranges and lush desert valleys. Tucsonans enjoy over 300 days of sunshine each year and an average temperature of 82 degrees. In *Money Magazine’s* 1998 ranking of 300 cities, Tucson was selected as the fifth “Best Place to Live” for medium-size cities in the West.

Leisure activities are boundless. The Tucson area has more than 27,000 acres of park lands. In the nearby mountains and deserts, there are many places to camp, hike, and fish; the southern Arizona region is ranked one of the five best areas in the United States for bird watching. Golfing is available year-round on over 30 public and private golf courses, and the Tucson area annually hosts a Professional Golfers’ Association (PGA) and a Ladies Professional Golf Association (LPGA) golf tournament. In the winter, skiing is only a one-hour drive from Tucson.

The University of Arizona provides a full range of intercollegiate athletic events. The women’s softball team has won repeated National Collegiate Athletic Association (NCAA) championships. The men’s basketball team won the NCAA championship in 1997 and were runners up in the championship in 2001. Tucson is the spring training home for three major league baseball teams: Arizona Diamondbacks, Chicago White Sox, and Colorado Rockies. In addition, the Tucson Sidewinders, a AAA affiliate of the Arizona Diamondbacks, offers a full schedule of summer baseball.

Tucson provides opportunities to stimulate the mind as well as the body. The University of Arizona offers undergraduate, graduate, and doctoral degree programs and has an extension program open to the public. Pima Community College is the fifth largest multi-campus community college in the nation and offers courses in 64 program areas.



There are over 215 arts groups and over 35 art galleries in Tucson. Tucson's downtown arts district hosts over 800 arts and cultural events annually, with many other events and fairs available throughout Tucson. Many museums and other attractions are located in the Tucson area. Included are the Tucson Museum of Art, the Arizona Historical Society Museum, the Arizona State Museum, the Center for Creative Photography, the Tucson Children's Museum, the Fort Lowell Museum, the Pima Air and Space Museum, Biosphere 2, the Tucson Botanical Gardens, the Reid Park Zoo, the Flandrau Planetarium, the Kitt Peak National Observatory, the San Xavier del Bac Mission, and the Arizona-Sonora Desert Museum (rated as one of America's top ten zoos by *Parade Magazine*).

We Mean Business

Tucson's business environment is as agreeable as its natural climate. Tourism, which accounted for over \$1.8 billion in the past year, will continue to be a major contributor to the region's economic base. Not just the service sector is booming; manufacturing employment in metropolitan Tucson has more than doubled in the past ten years. Tucson is home to a premier research institution—the University of Arizona—and is recognized as one of the megatrend cities for the 21st century with its emerging presence as a center for optics, astronomy, and health services.

Balancing Growth and Preservation

The City of Tucson, incorporated in 1877, is the second largest city in the State of Arizona. Tucson is forecast to have a population of over 500,000 in 2002. As with many communities in the West, growth has occurred at the edges of the urban area.

City leaders are committed to ensuring that growth will complement existing neighborhoods.

To ensure that areas in the central city remain attractive places to live and work, the City of Tucson works with neighborhoods through the Department of Neighborhood Resources and has initiated a *Back to Basics* program that directs financial resources to targeted areas. The aim of *Back to Basics* is to maintain and improve neighborhoods by collaborating with residents, businesses, and schools. Neighborhood residents are able to choose from a menu of options to determine for themselves how the financial resources are applied. Because "downtown is everyone's neighborhood," a special program has also been established to enhance downtown as a business, cultural, and residential area.

COMMUNITY PROFILE

Key Statistics

City Government

Tucson is the county seat for Pima County. Pima County is the second largest in population in Arizona. By charter from the State of Arizona, the City of Tucson is governed by a Mayor and Council. Council members are nominated by each of the six wards, but are elected in citywide elections. The Mayor is nominated and elected citywide. The Mayor and Council set policy and appoint a city manager to provide the general supervision and direction for city government operations.

Demographics

Tucson is growing: 45th largest city in 1980, 34th largest in 1990, and the 30th largest in 2000.

Population

	Tucson	Pima County
1980	330,537	531,433
1990	405,390	666,880
2000	486,699	847,600
2001	498,305	870,610
2002*	507,100	886,281
2003*	518,437	904,541

Land Area

1990	158.30 square miles
1995	180.74 square miles
1996	191.88 square miles
1997	193.99 square miles
1998	194.15 square miles
1999	194.36 square miles
2000	196.32 square miles
2001	223.36 square miles
2002*	225.99 square miles

Land Use, 1990

Undeveloped	38.72%
Residential	30.70%
Commercial	5.83%
Government	4.48%
Industrial	4.11%
Open Space	4.02%
Agricultural	1.04%
Other	11.10%

Racial/Ethnic Composition, 2000

White, Non-Hispanic	54.2%
Hispanic	35.7%
Black	4.1%
Native American	1.6%
Asian/Pacific Islander	2.5%

Median Age

1970	25.7 years
1980	28.3 years
1990	30.8 years
2000	32.1 years

*Projected figures from the City of Tucson Comprehensive Planning Task Force assuming normal annexation rates.

Economy

For the next five years, Tucson is projected to be the 13th most rapidly growing metropolitan area in the United States for employment.



Major Employers - Southern Arizona, 2002*

(Based on number of full-time equivalent positions)

University of Arizona	11,606
U.S. Army Fort Huachuca	10,969
Raytheon Systems Company	10,400
State of Arizona	9,932
Davis-Monthan Air Force Base	9,200
Tucson Unified School District	8,278
Pima County	7,175
City of Tucson	5,933**
Wal-Mart	3,800
Phelps Dodge Mining Company	3,783
Carondelet Health Network	3,328
Tohono O'Odham Nation	2,700
University Medical Center	2,415
Tucson Medical Center (TMC) HealthCare	2,395
Pima Community College	2,238
Amphitheater Public Schools	2,236
Bombardier Aerospace	2,154

Total Employment

(Pima County)

1990	321,900
1998	418,274
1999	429,332
2000	447,106
2001	450,137
2002	451,118

Unemployment Rates

(Pima County)

1990	4.6%
1998	2.7%
1999	2.9%
2000	2.8%
2001	3.2%
2002	4.0%

Annual Rate of Earnings

(Per worker in current dollars)

1990	\$20,015
1998	\$26,311
1999	\$27,453
2000	\$29,439
2001	\$30,570
2002	\$31,628

Building Permits Issued

	Residential	Commercial	Industrial
1997	1,929	151	16
1998	2,359	238	34
1999	2,740	302	7
2000	2,689	236	17
2001	2,712	140	8

*Source: "Star/Two/Hundred," *The Arizona Daily Star*, March 10, 2002.

**The City of Tucson's Fiscal Year 2003 Adopted Budget includes 5,829.46 full-time equivalent positions.

City Services

The City of Tucson is committed to providing appropriate and equitable levels of service to all of its citizens. Some examples are listed below.



Neighborhood Resources

Parks (District, Neighborhood, Regional, and Open Space)	127
Recreation Centers	7
Neighborhood/Senior Centers	6
Regional Centers	4
After-School Program Sites	67
Senior Citizen Program Sites	13
Municipal Swimming Pools	25
Municipal Golf Courses	5
Tennis Court Sites	55
Playfields	195
Libraries	22
Bookmobiles	2

Solid Waste Management

Tons of Waste Collected	360,000
Tons of Material Recycled	25,000
Number of Christmas Trees Mulched or Composted	39,628

Transportation

Number of Street Miles Maintained	1,693
Miles of Bikeways	310
Miles of Drainageway	777
Number of Street Lights	14,842
Annual Miles of Fixed-Route Bus Service	7,964,000
Annual Miles of Paratransit Service	1,995,930
Traffic Signals	340

Tucson Water

Miles of Water Lines	4,000
Number of Water Connections	200,809
Million of gallons of potable water storage capacity	259
Billion of gallons of potable water delivered annually	36

Public Safety

Number of Authorized Commissioned Law Enforcement Personnel	995.5
Average Police Emergency Response Time (in minutes)	4.18
Average Police Response Time for All Emergency, Critical, Urgent, and General Response Calls (in minutes)	32.46
Number of Commissioned Fire Personnel	526
Annual Number of Structural Fire Runs	277
Annual Number of Other Fire Runs	69,000
Number of Paramedics	108
Annual Number of Paramedic Runs	35,100

BENCHMARKING PROJECT

In recent years, the City of Tucson has used performance goals and project management to increase its accountability and assess effectiveness. Another way to measure municipal performance is to benchmark with other cities. This is commonly done in the private sector, particularly in health care and education, to compare effectiveness of organizations in the same business. For example, universities are often ranked on the quality of their freshman classes and how well students do over their four years. As undergraduates, measures such as Scholastic Aptitude Test/American College Test scores, faculty to student ratios, educational expenses per student, graduation rates, and alumni giving rates are widely used. Municipalities are just beginning to use the benchmarking technique. Included in this section are benchmarks comparing the City of Tucson's metropolitan area with ten other metropolitan areas (see map on page D-10).

These metropolitan areas, some larger and some smaller than Tucson, were chosen because of their western geography and governance, their ethnic distribution and economic variety, and their cultural and historical traditions—a combination similar enough to allow the comparison of some urban elements, yet sufficiently disparate to allow the contrast of others. The other metropolitan areas used are Albuquerque, Austin, Colorado Springs, Denver, El Paso, Las Vegas, Phoenix-Mesa, Salt Lake City, San Antonio, and San Diego. The Tucson metro area was compared with these other areas to determine how it compares economically and demographically. The benchmarks included in this section, comprised of ten economic benchmarks and six demographic benchmarks, are listed below and displayed in a series of graphs on the pages that follow.

Economic Benchmarks

- Metro Area 2000 Average Annual Wage, page D-11
- Metro Area 1999 Wage and Salary Employment, Number of Jobs Per 1,000 Population, page D-11
- Metro Area 2000 Population Below Poverty Level, page D-12
- Metro Area 2001 Cost of Living Index (adjusted for Tucson's cost of living), page D-12
- Metro Area 2001 Cost of Groceries Index (adjusted for Tucson's cost of groceries), page D-13
- Metro Area 2001 Cost of Housing Index (adjusted for Tucson's cost of housing), page D-13
- Metro Area 2001 Cost of Transportation Index (adjusted for Tucson's cost of transportation), page D-14
- Metro Area 2001 Cost of Health Care Index (adjusted for Tucson's cost of health care), page D-14
- Percentage of Households That Use a Personal Computer, page D-15
- Metro Area 1990 Mean Travel Time to Work, In Minutes, page D-15

Demographic Benchmarks

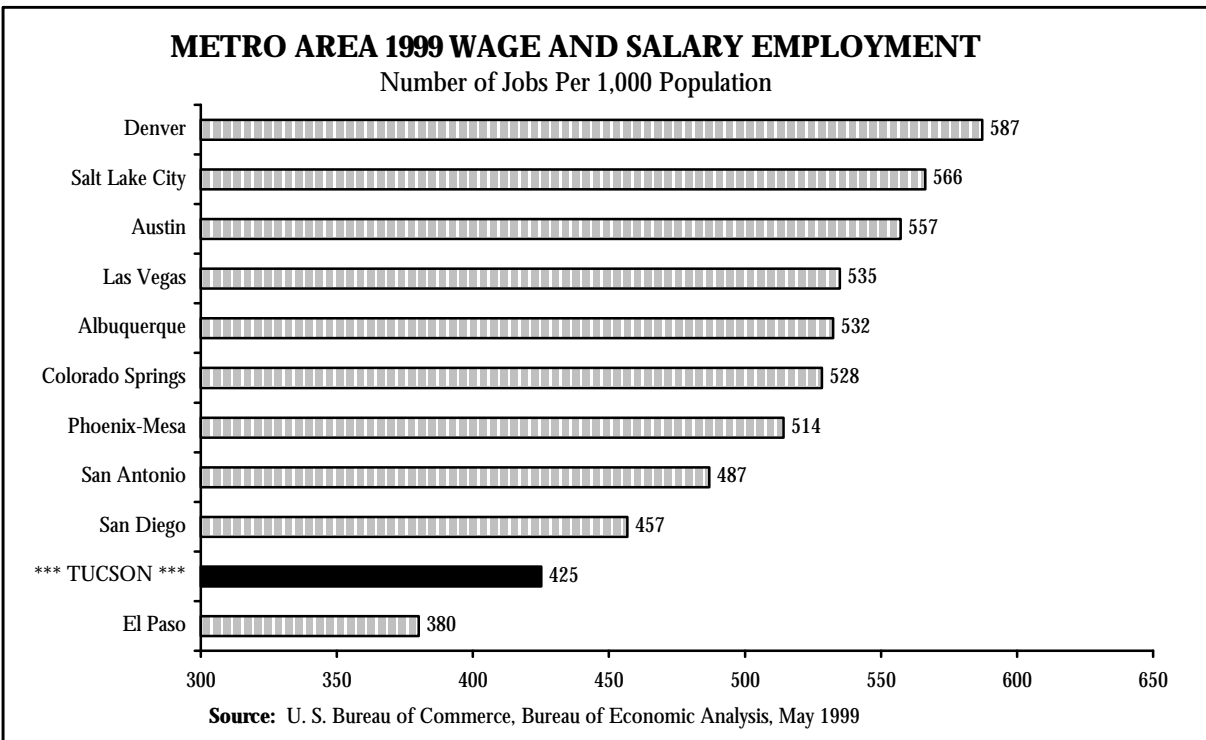
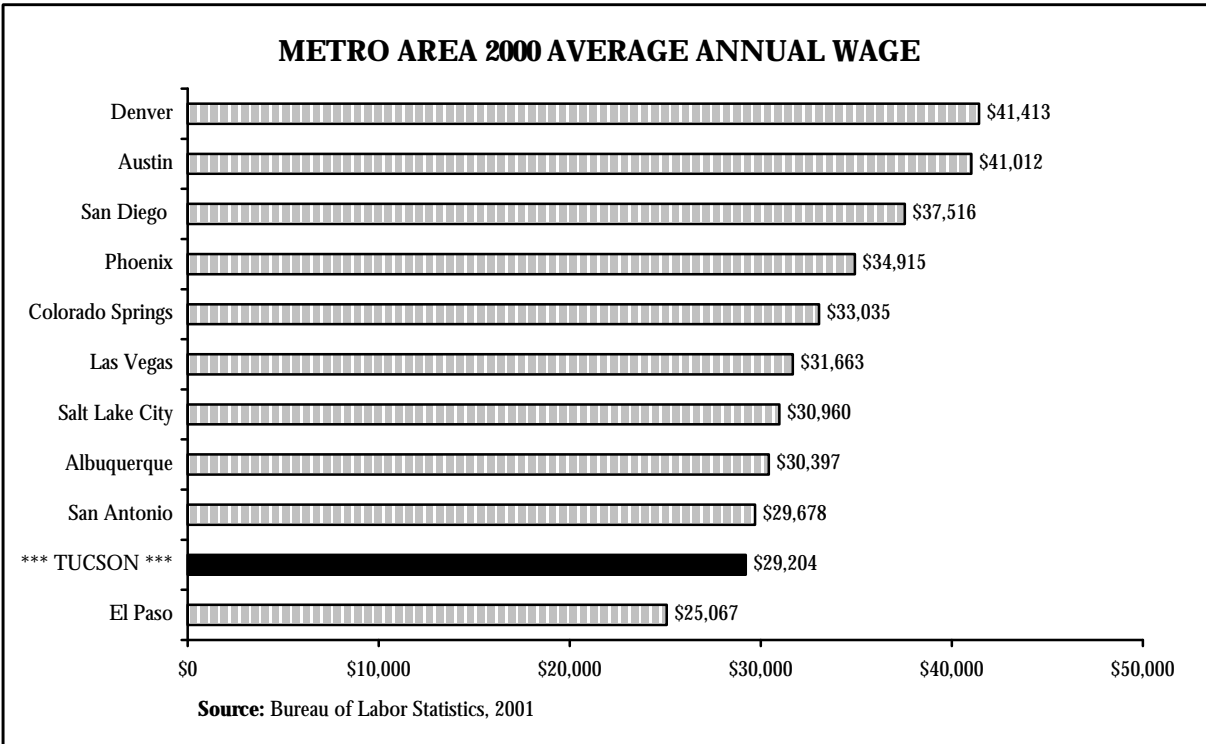
- Percent of 2000 Metro Population Less Than 18 Years Old, page D-16
- Percent of 2000 Metro Population Greater Than 64 Years Old, page D-16
- Number of Persons Per Household, page D-17
- 2000 Infant Death Rate Per 1,000 Population, page D-17
- High School Diploma, Percent of Population 25 Years Old and Older, page D-18
- Bachelor Degree, Percent of Population 25 Years Old and Older, page D-18

Benchmark Metropolitan Cities and 2000 Populations



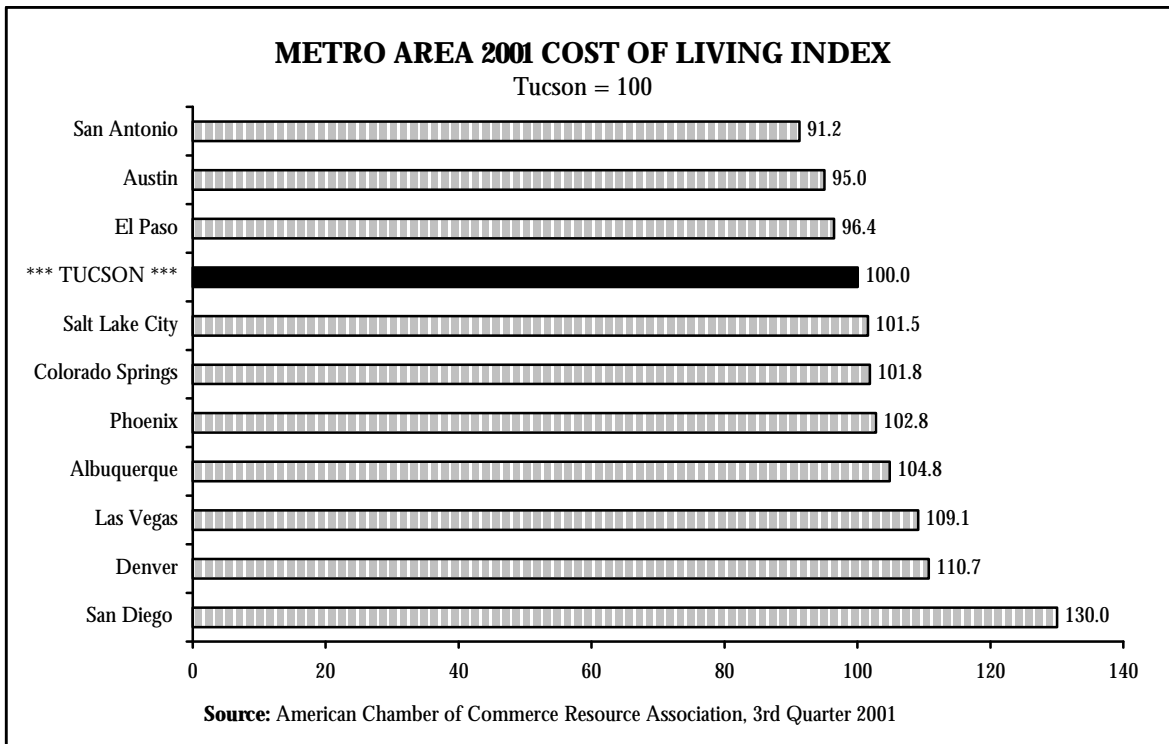
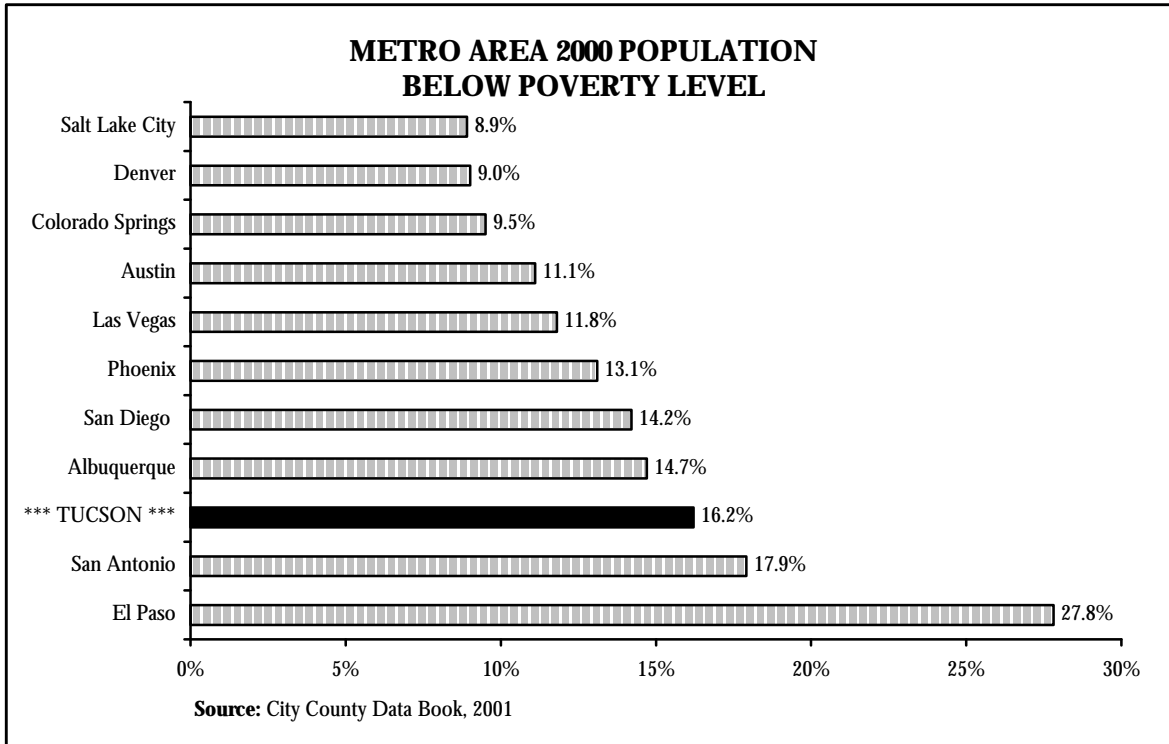
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



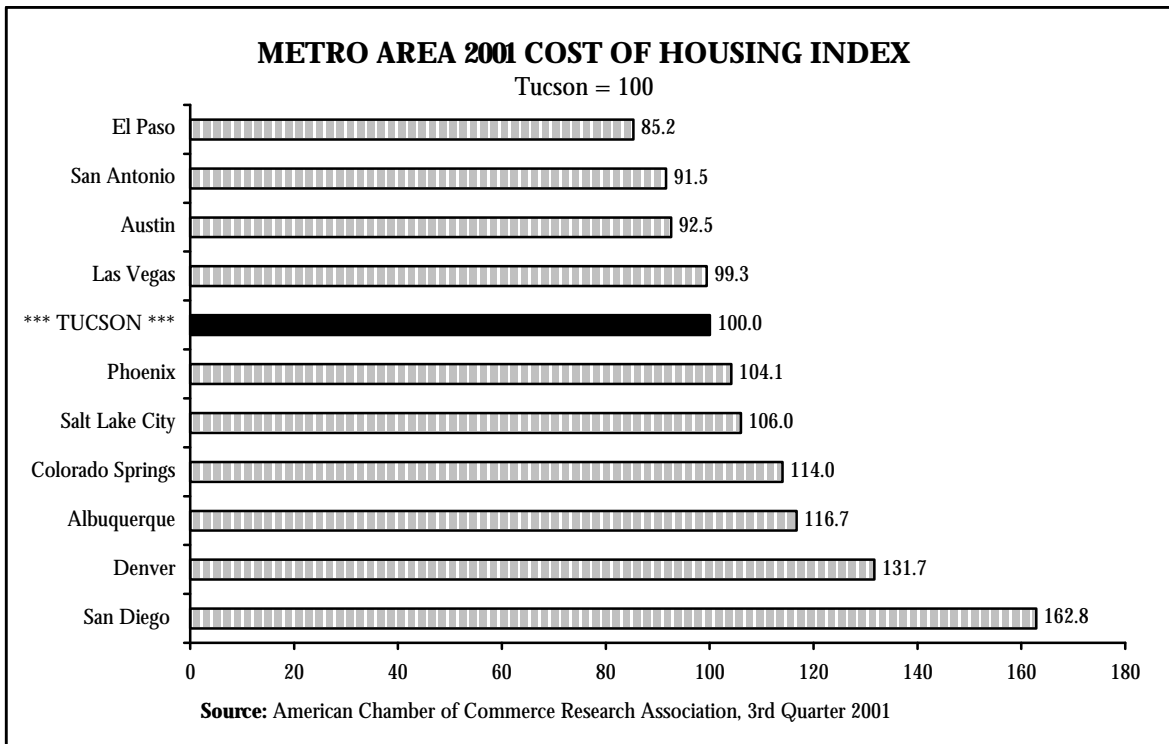
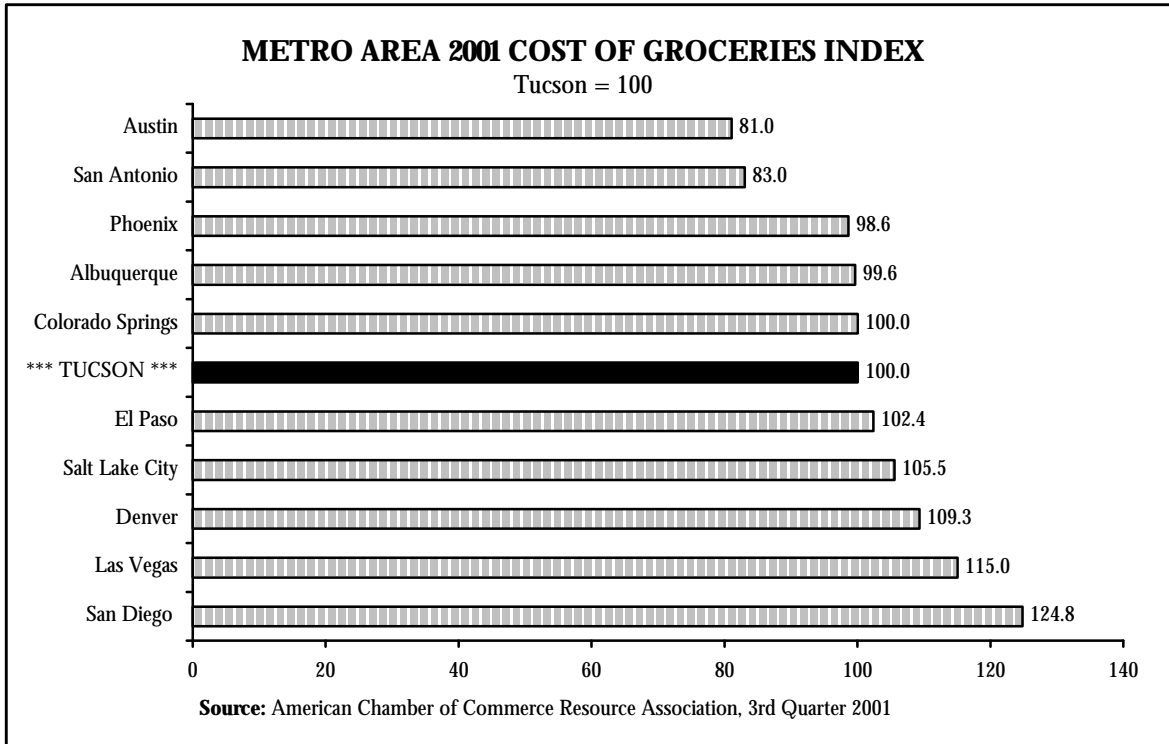
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



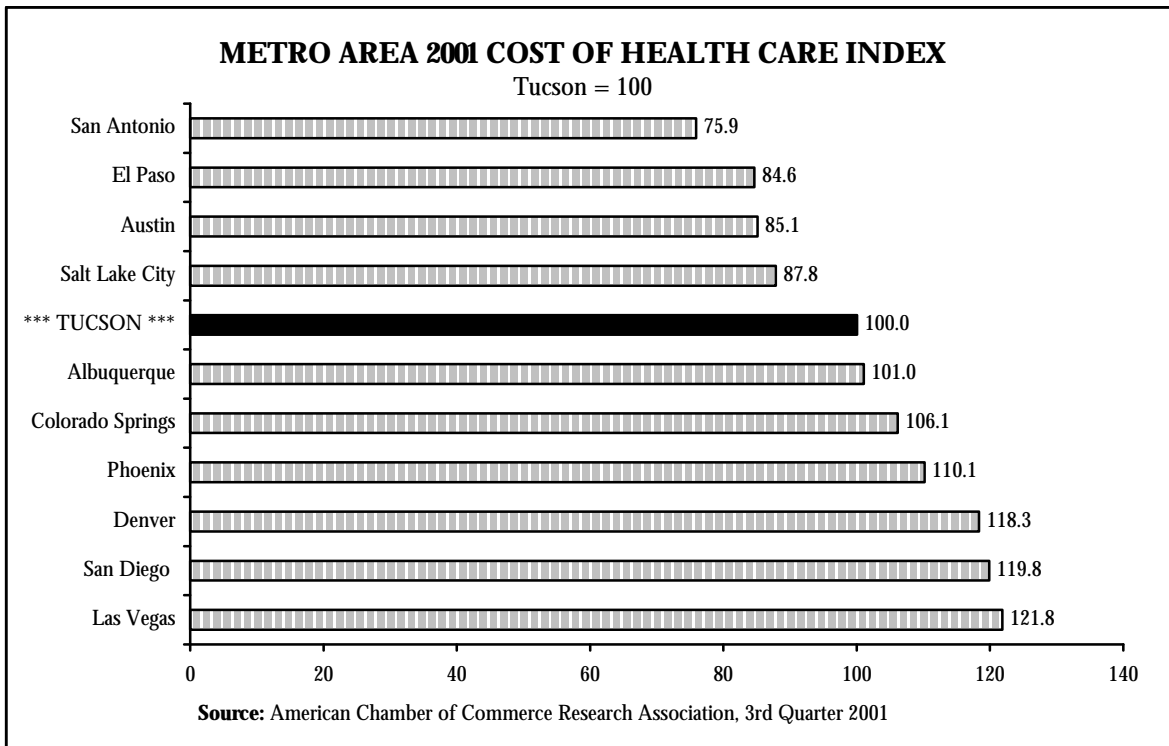
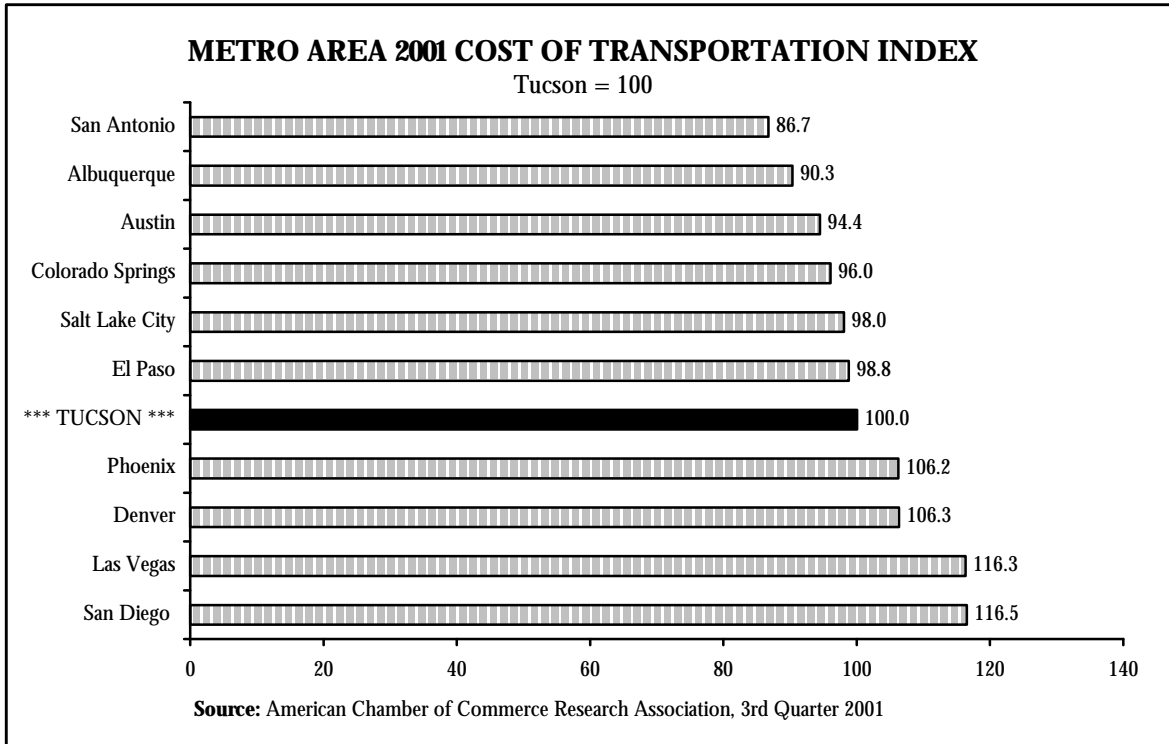
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



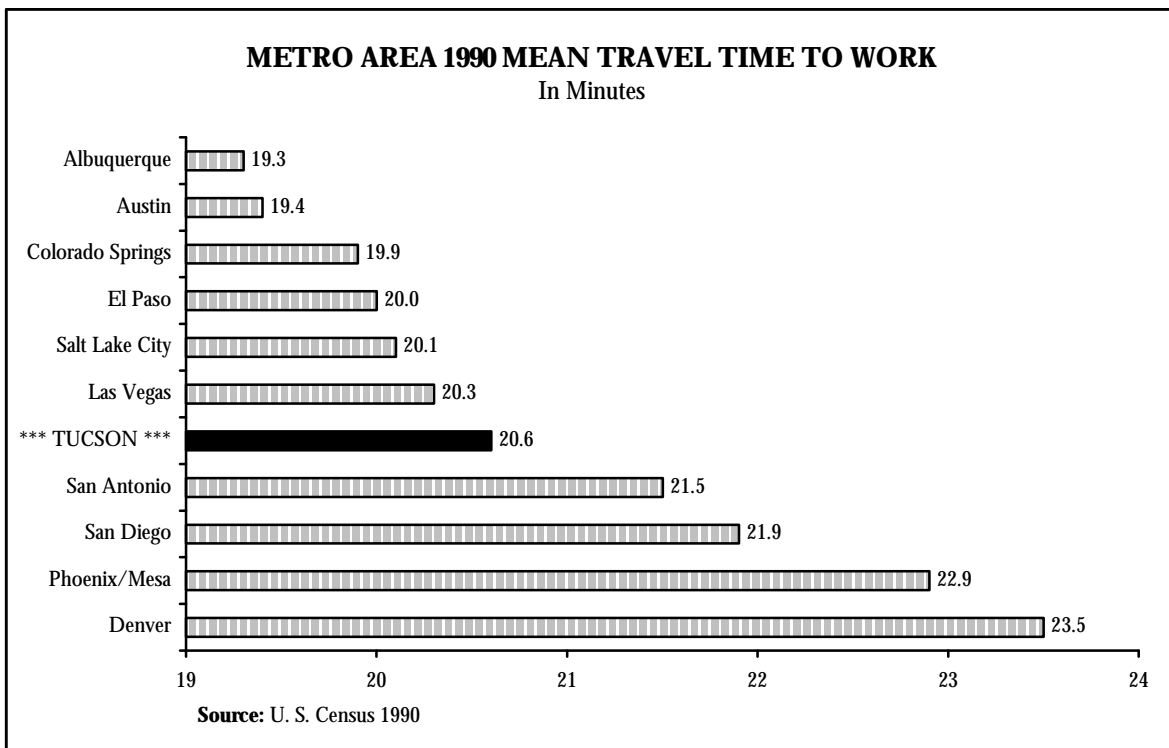
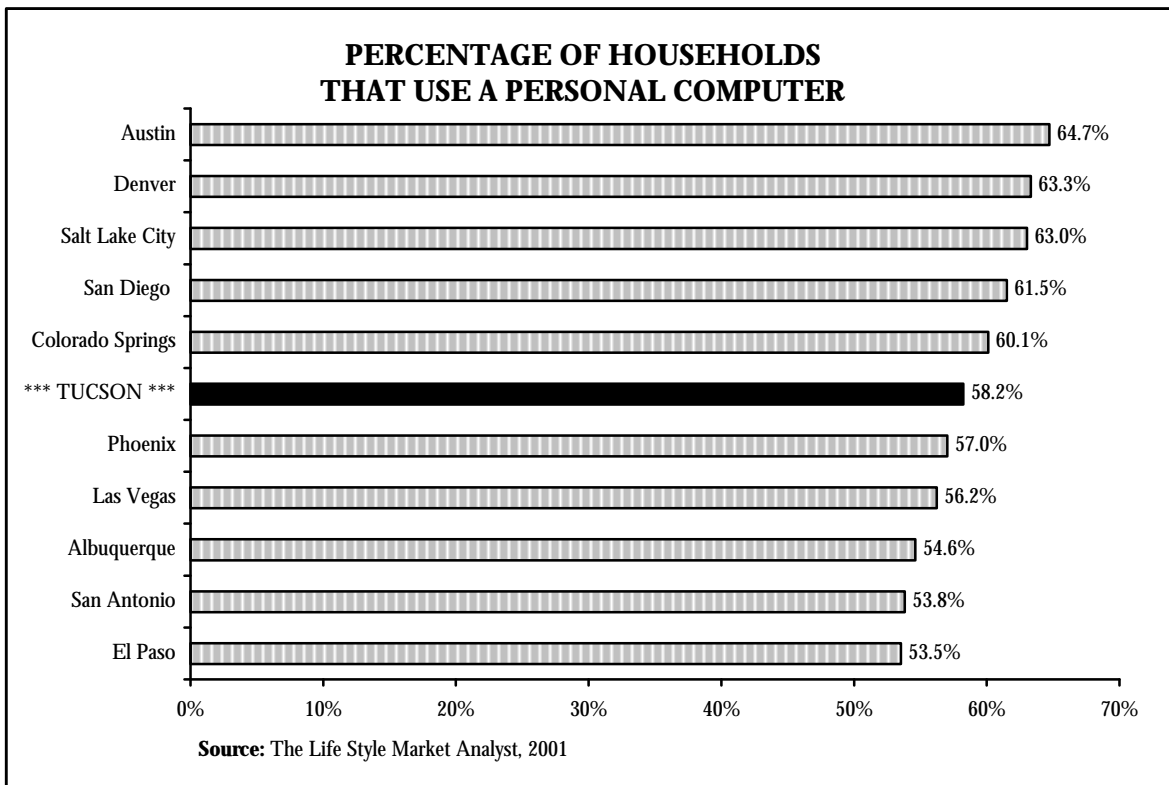
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



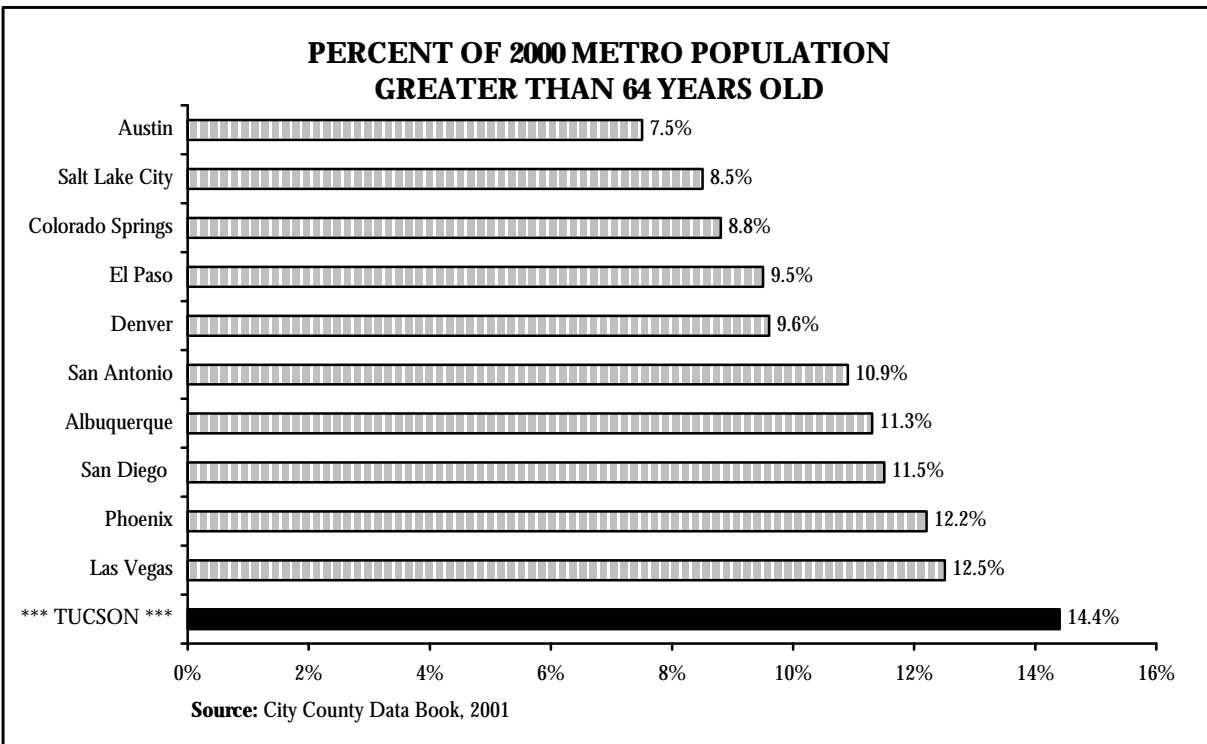
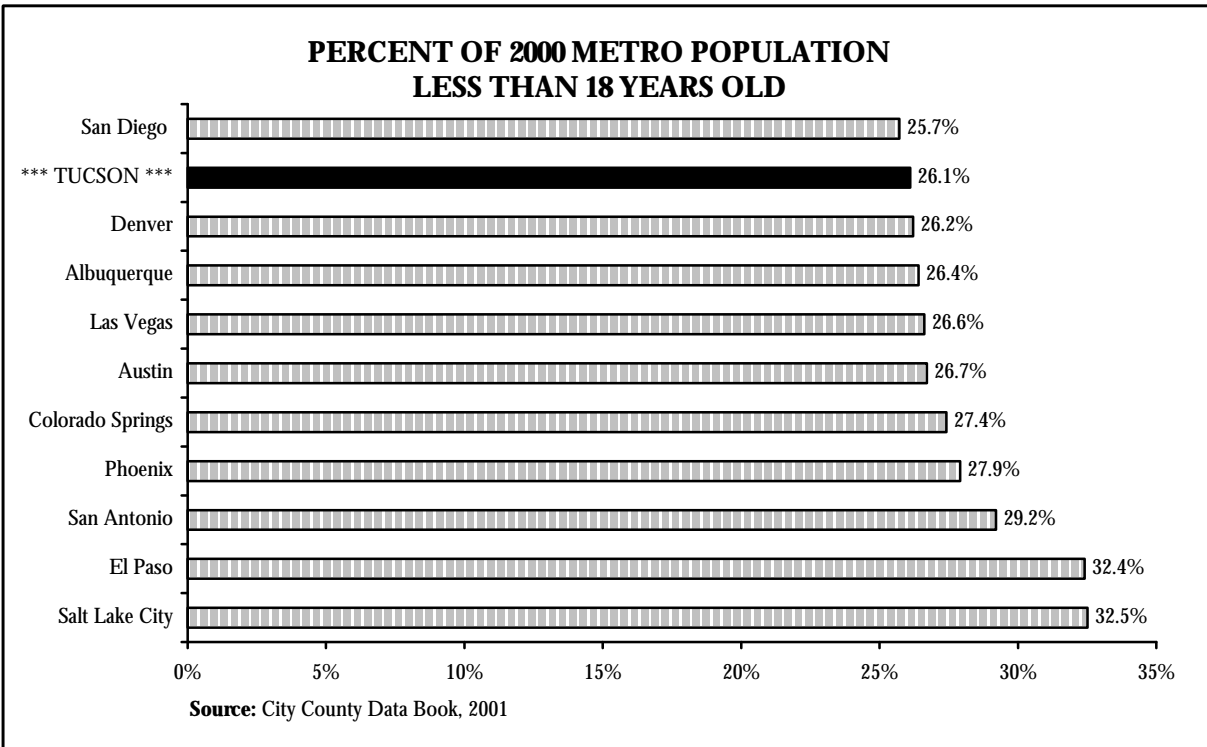
ECONOMIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



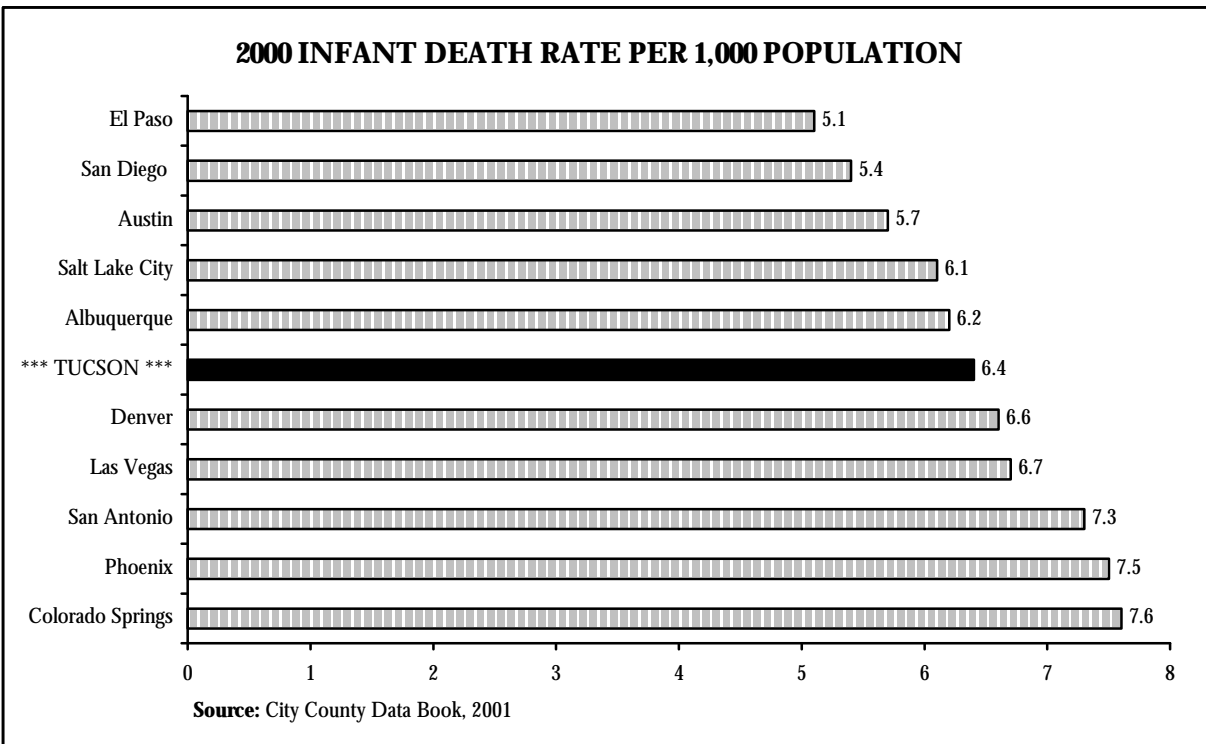
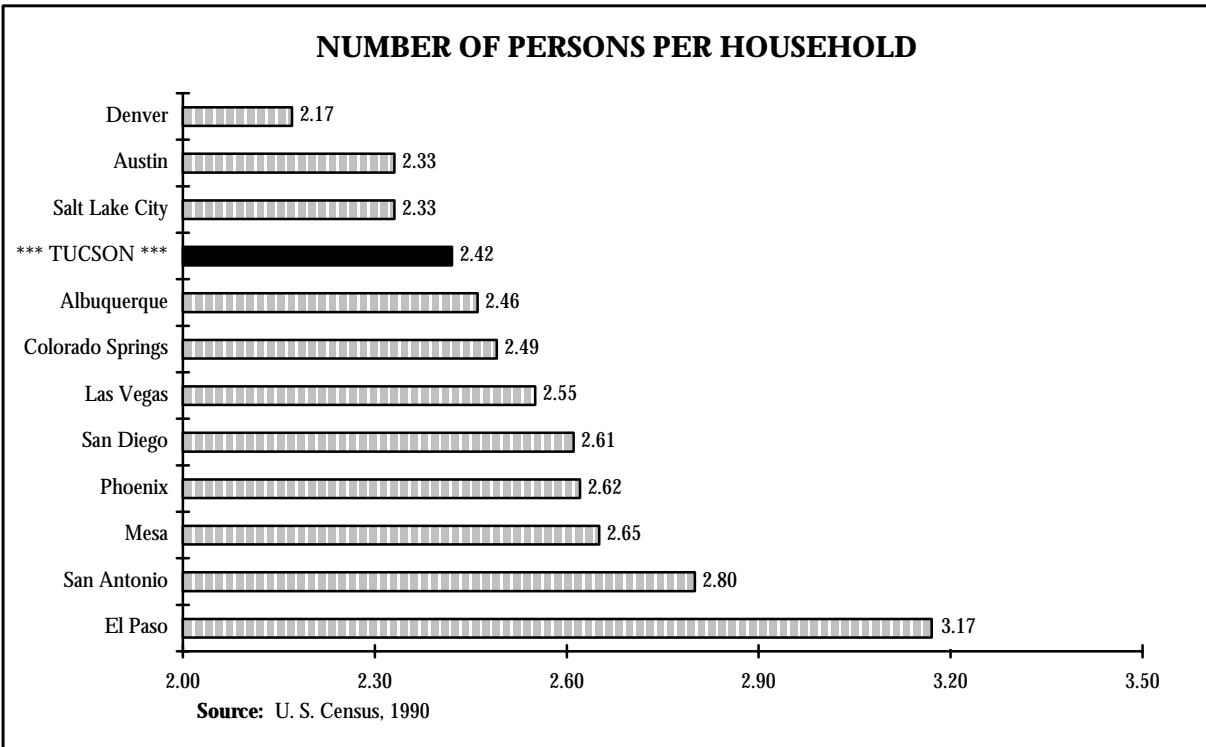
DEMOGRAPHIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



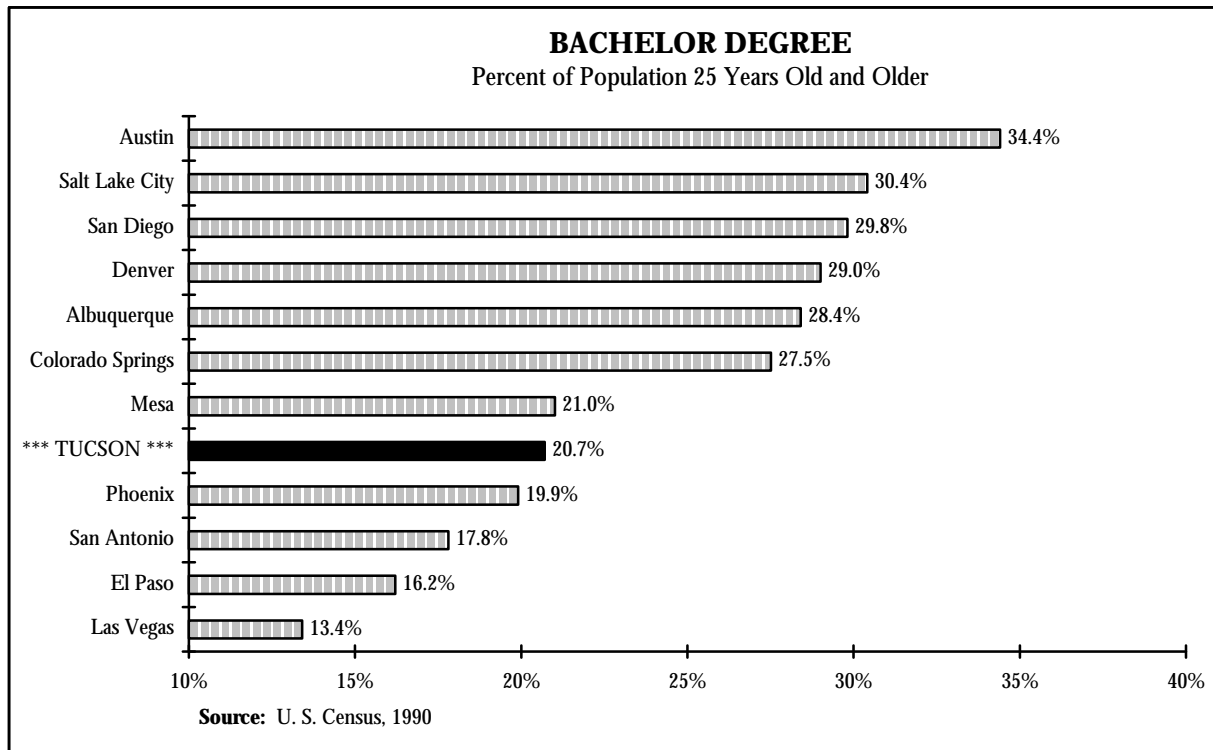
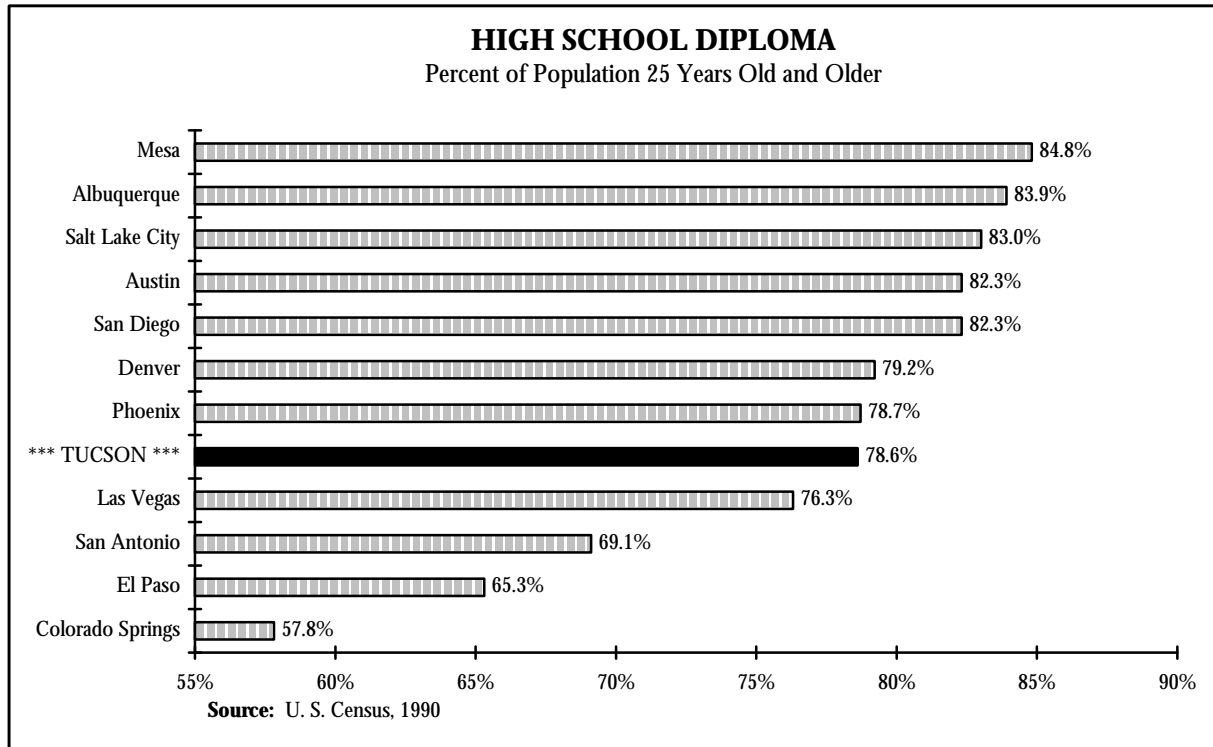
DEMOGRAPHIC BENCHMARKS

Selected Regional Cities Benchmarked With Tucson



DEMOGRAPHIC BENCHMARKS

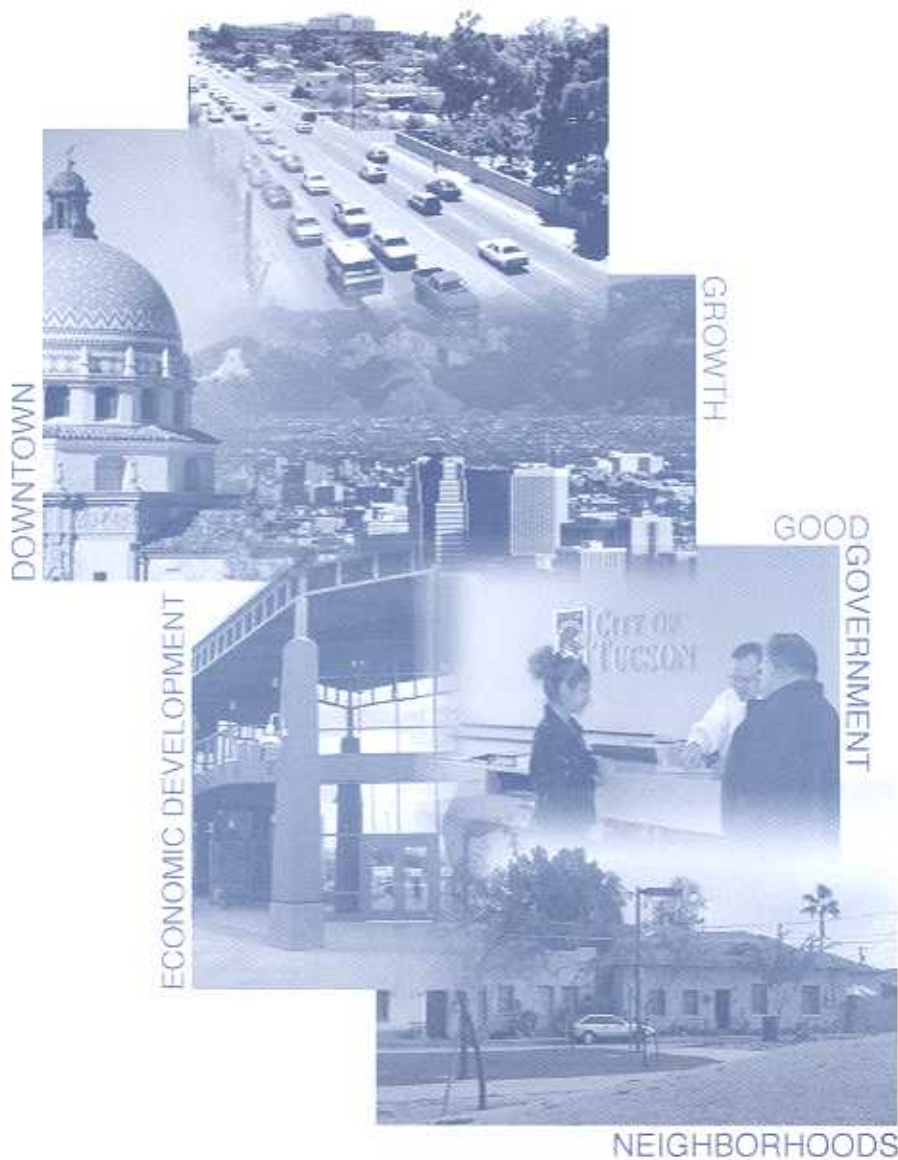
Selected Regional Cities Benchmarked With Tucson

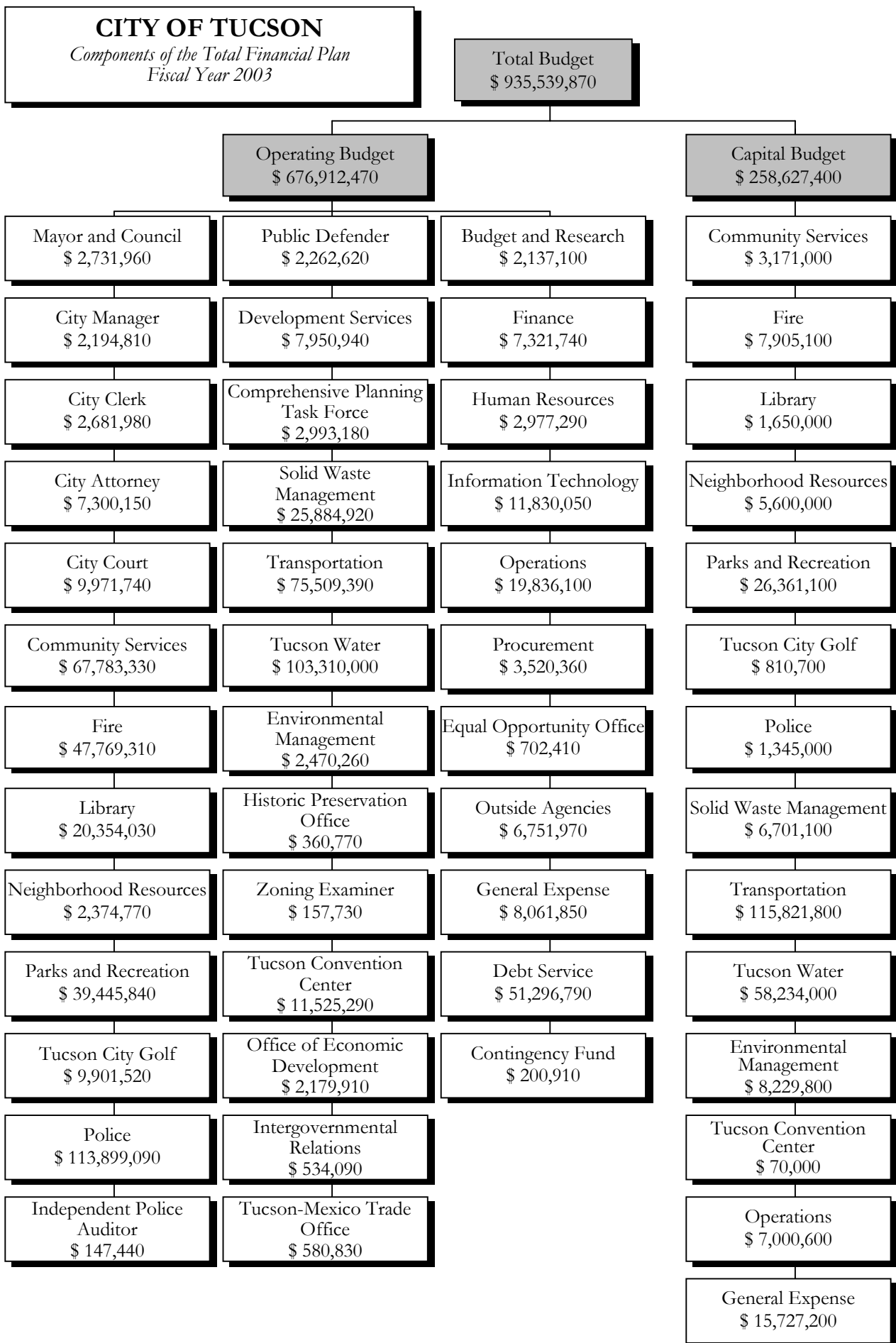


Section E

Summary Information

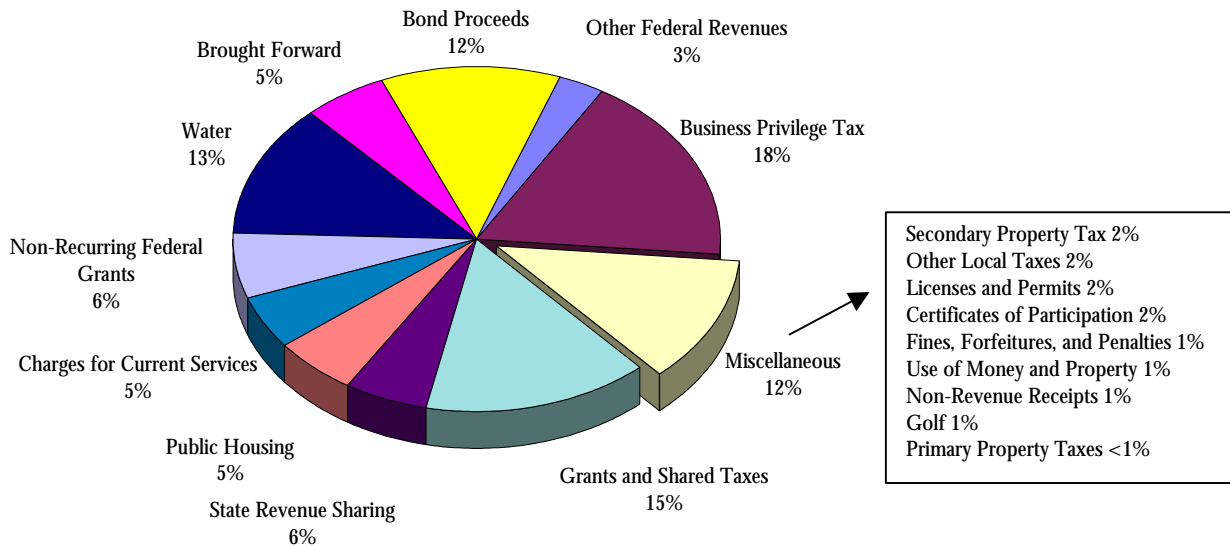
TRANSPORTATION





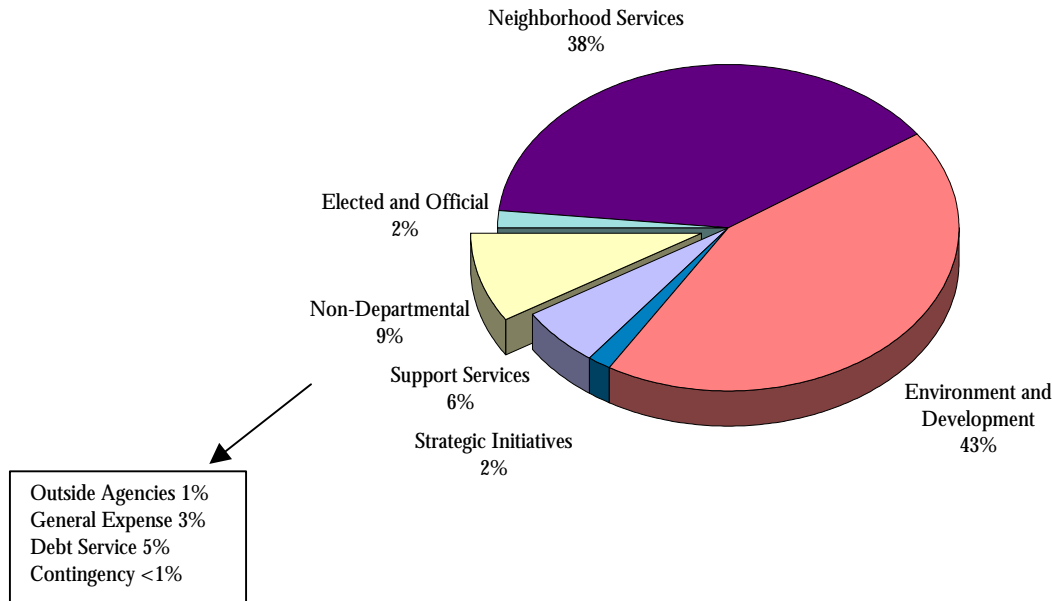
REVENUES

ADOPTED FISCAL YEAR 2003



Funds Available	Annual Budget Total	Percent of Total	Estimated Revenues	
			Operating Budget	Capital Budget
Primary Property Tax	\$ 4,612,960	<1%	\$ 4,612,960	\$ -0-
Secondary Property Tax	20,756,360	2%	20,756,360	-0-
Business Privilege Tax	166,328,100	18%	163,171,100	3,157,000
Other Local Taxes	17,839,710	2%	17,839,710	-0-
Licenses and Permits	15,963,740	2%	15,963,740	-0-
Fines, Forfeitures, and Penalties	7,963,120	1%	7,963,120	-0-
Use of Money and Property	7,618,830	1%	7,618,830	-0-
Grants and Shared Taxes	141,988,760	15%	124,246,360	17,742,400
State Revenue Sharing	52,388,880	6%	52,388,880	-0-
Charges for Current Services	46,956,860	5%	46,956,860	-0-
Non-Revenue Receipts	10,581,690	1%	10,581,690	-0-
Public Housing	51,303,690	5%	48,132,690	3,171,000
Other Federal Revenues	27,479,700	3%	26,204,700	1,275,000
Total Recurring Revenues (Without Utilities)	\$ 571,782,400	61%	\$ 546,437,000	\$ 25,345,400
Golf	10,712,220	1%	9,901,520	810,700
Water	117,279,000	13%	103,310,000	13,969,000
Total Recurring Revenues	\$ 699,773,620	75%	\$ 659,648,520	\$ 40,125,100
Non-Recurring Federal Grants	57,526,500	6%	-0-	57,526,500
Bond Proceeds	112,039,200	12%	-0-	112,039,200
Certificates of Participation	15,802,900	2%	-0-	15,802,900
Brought Forward	50,397,650	5%	17,263,950	33,133,700
Total Funds Available	\$ 935,539,870	100%	\$ 676,912,470	\$ 258,627,400

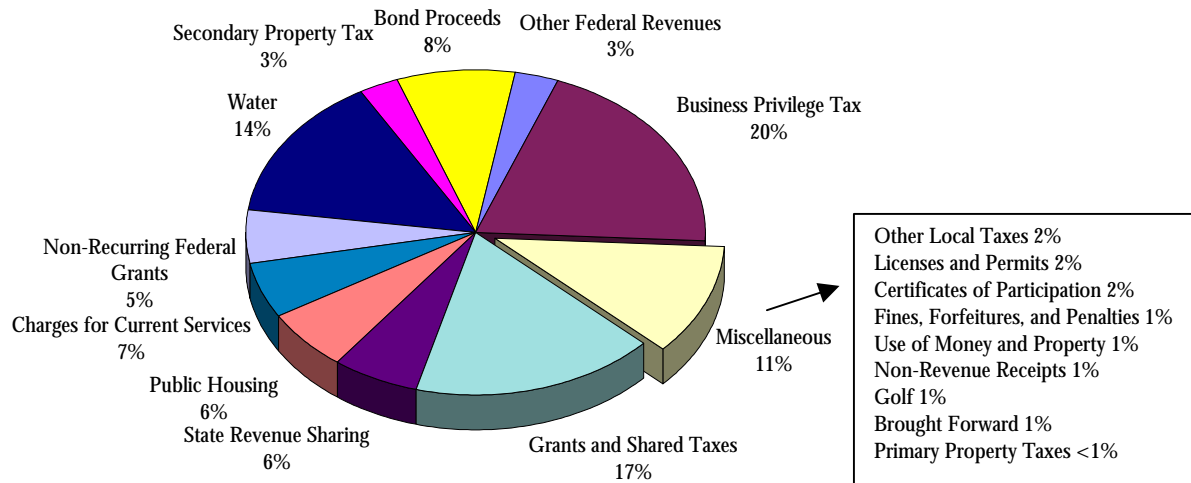
APPROPRIATIONS ADOPTED FISCAL YEAR 2003



Purpose	Annual Budget Total	Percent of Total	Budgeted Expenditures	
			Operating Budget	Capital Budget
Elected and Official	\$ 14,908,900	2%	\$ 14,908,900	\$ -0-
Neighborhood Services	360,752,590	38%	313,909,690	46,842,900
Environment and Development	407,623,890	43%	218,637,190	188,986,700
Strategic Initiatives	14,890,120	2%	14,820,120	70,000
Support Services	55,325,650	6%	48,325,050	7,000,600
Non-Departmental				
Outside Agencies	6,751,970	1%	6,751,970	-0-
General Expense	23,789,050	3%	8,061,850	15,727,200
Debt Service	51,296,790	5%	51,296,790	-0-
Contingency	200,910	<1%	200,910	-0-
Total All Organizations	\$ 935,539,870	100%	\$ 676,912,470	\$ 258,627,400

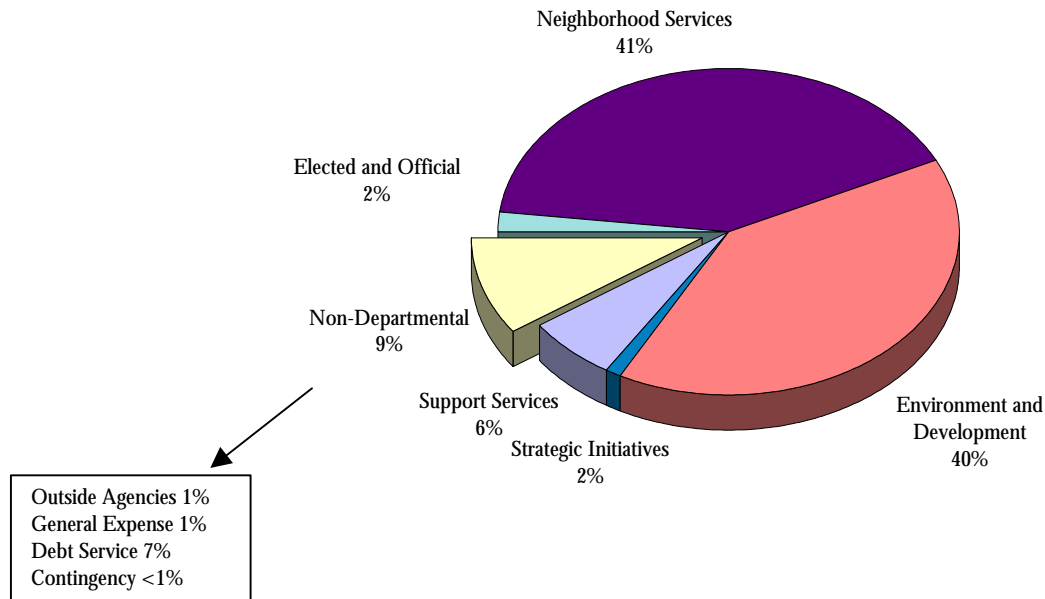
REVENUES

APPROVED FISCAL YEAR 2004



Funds Available	Annual Budget Total	Percent of Total	Estimated Revenues	
			Operating Budget	Capital Budget
Primary Property Tax	\$ 3,864,260	<1%	\$ 3,864,260	\$ -0-
Secondary Property Tax	22,907,710	3%	22,907,710	-0-
Business Privilege Tax	174,644,500	20%	169,323,500	5,321,000
Other Local Taxes	18,526,990	2%	18,526,990	-0-
Licenses and Permits	16,461,710	2%	16,461,710	-0-
Fines, Forfeitures, and Penalties	8,347,600	1%	8,347,600	-0-
Use of Money and Property	7,764,710	1%	7,764,710	-0-
Grants and Shared Taxes	149,668,500	17%	134,648,500	15,020,000
State Revenue Sharing	54,601,440	6%	54,601,440	-0-
Charges for Current Services	49,638,520	7%	49,638,520	-0-
Non-Revenue Receipts	10,992,480	1%	10,992,480	-0-
Public Housing	51,488,040	6%	48,043,040	3,445,000
Other Federal Revenues	25,939,630	3%	24,664,630	1,275,000
Total Recurring Revenues (Without Utilities)	\$ 594,846,090	69%	\$ 569,785,090	\$ 25,061,000
Golf	10,710,220	1%	10,118,220	592,000
Water	125,666,000	14%	109,347,000	16,319,000
Total Recurring Revenues	\$ 731,222,310	84%	\$ 689,250,310	\$ 41,972,000
Non-Recurring Federal Grants	46,026,000	5%	-0-	46,026,000
Bond Proceeds	73,458,000	8%	-0-	73,458,000
Certificates of Participation	12,222,000	2%	-0-	12,222,000
Brought Forward	6,953,830	1%	2,412,830	4,541,000
Total Funds Available	\$ 869,882,140	100%	\$ 691,663,140	\$ 178,219,000

APPROPRIATIONS APPROVED FISCAL YEAR 2004



Purpose	Annual Budget Total	Percent of Total	Budgeted Expenditures	
			Operating Budget	Capital Budget
Elected and Official	\$ 17,522,110	2%	\$ 17,522,110	\$ -0-
Neighborhood Services	361,138,680	41%	323,729,680	37,409,000
Environment and Development	355,269,140	40%	226,681,140	128,588,000
Strategic Initiatives	14,784,880	2%	14,784,880	-0-
Support Services	56,565,910	6%	48,343,910	8,222,000
Non-Departmental				
Outside Agencies	7,005,690	1%	7,005,690	-0-
General Expense	11,123,200	1%	7,123,200	4,000,000
Debt Service	56,356,500	7%	56,356,500	-0-
Contingency	175,000	<1%	175,000	-0-
Total All Organizations	\$ 879,941,110	100%	\$ 701,722,110	\$ 178,219,000

REVENUES AND APPROPRIATIONS SUMMARY
FISCAL YEAR 2003 ADOPTED

GENERAL PURPOSE FUNDS

RESTRICTED FUNDS

CLASSIFICATION	TOTAL BUDGET	TOTAL RECURRING	OPERATING BUDGET	CAPITAL BUDGET	TOTAL RESTRICTED	OPERATING BUDGET	CAPITAL BUDGET
FUNDS AVAILABLE							
Recurring Revenues							
Primary Property Tax	\$ 4,612,960	\$ 4,612,960	\$ 4,612,960	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Secondary Property Tax	20,756,360	-0-	-0-	-0-	20,756,360	20,756,360	-0-
Business Privilege Tax	166,328,100	166,328,100	163,171,100	3,157,000	-0-	-0-	-0-
Other Local Taxes	17,839,710	17,839,710	17,839,710	-0-	-0-	-0-	-0-
Licenses and Permits	15,963,740	15,293,740	15,293,740	-0-	670,000	670,000	-0-
Fines, Forfeitures, and Penalties	7,963,120	7,963,120	7,963,120	-0-	-0-	-0-	-0-
Use of Money and Property	7,618,830	5,316,920	5,316,920	-0-	2,301,910	2,301,910	-0-
Grants and Shared Taxes	141,988,760	60,720,060	60,720,060	-0-	81,268,700	63,526,300	17,742,400
State Revenue Sharing	52,388,880	52,388,880	52,388,880	-0-	-0-	-0-	-0-
Charges for Current Services	46,956,860	45,220,840	45,220,840	-0-	1,736,020	1,736,020	-0-
Non-Revenue Receipts	10,581,690	1,265,190	1,265,190	-0-	9,316,500	9,316,500	-0-
Public Housing	51,303,690	-0-	-0-	-0-	51,303,690	48,132,690	3,171,000
Other Federal Revenues	27,479,700	-0-	-0-	-0-	27,479,700	26,204,700	1,275,000
Total Recurring Revenues (Without Utilities)	\$ 571,782,400	\$ 376,949,520	\$ 373,792,520	\$ 3,157,000	\$ 194,832,880	\$ 172,644,480	\$ 22,188,400
Golf	10,712,220	-0-	-0-	-0-	10,712,220	9,901,520	810,700
Water	117,279,000	-0-	-0-	-0-	117,279,000	103,310,000	13,969,000
Total Recurring Revenues	\$ 699,773,620	\$ 376,949,520	\$ 373,792,520	\$ 3,157,000	\$ 322,824,100	\$ 285,856,000	\$ 36,968,100
Non-Recurring Federal Grants	57,526,500	-0-	-0-	-0-	57,526,500	-0-	57,526,500
Bond Proceeds	112,039,200	-0-	-0-	-0-	112,039,200	-0-	112,039,200
Certificates of Participation	15,802,900	-0-	-0-	-0-	15,802,900	-0-	15,802,900
Brought Forward	50,397,650	15,312,910	12,148,310	3,164,600	35,084,740	5,115,640	29,969,100
TOTAL FUNDS AVAILABLE	\$ 935,539,870	\$ 392,262,430	\$ 385,940,830	\$ 6,321,600	\$ 543,277,440	\$ 290,971,640	\$ 252,305,800
APPROPRIATIONS							
Elected and Official	\$ 14,908,900	\$ 14,176,630	\$ 14,176,630	\$ -0-	\$ 732,270	\$ 732,270	\$ -0-
Neighborhood Services	360,752,590	216,280,160	213,655,160	2,625,000	144,472,430	100,254,530	44,217,900
Environment and Development	407,623,890	85,979,670	83,193,670	2,786,000	321,644,220	135,443,520	186,200,700
Strategic Initiatives	14,890,120	13,260,560	13,260,560	-0-	1,629,560	1,559,560	70,000
Support Services	55,325,650	45,775,150	44,864,550	910,600	9,550,500	3,460,500	6,090,000
Non-Departmental	82,038,720	16,790,260	16,790,260	-0-	65,248,460	49,521,260	15,727,200
TOTAL ALL ORGANIZATIONS	\$ 935,539,870	\$ 392,262,430	\$ 385,940,830	\$ 6,321,600	\$ 543,277,440	\$ 290,971,640	\$ 252,305,800

REVENUES AND APPROPRIATIONS SUMMARY

FISCAL YEAR 2004 APPROVED

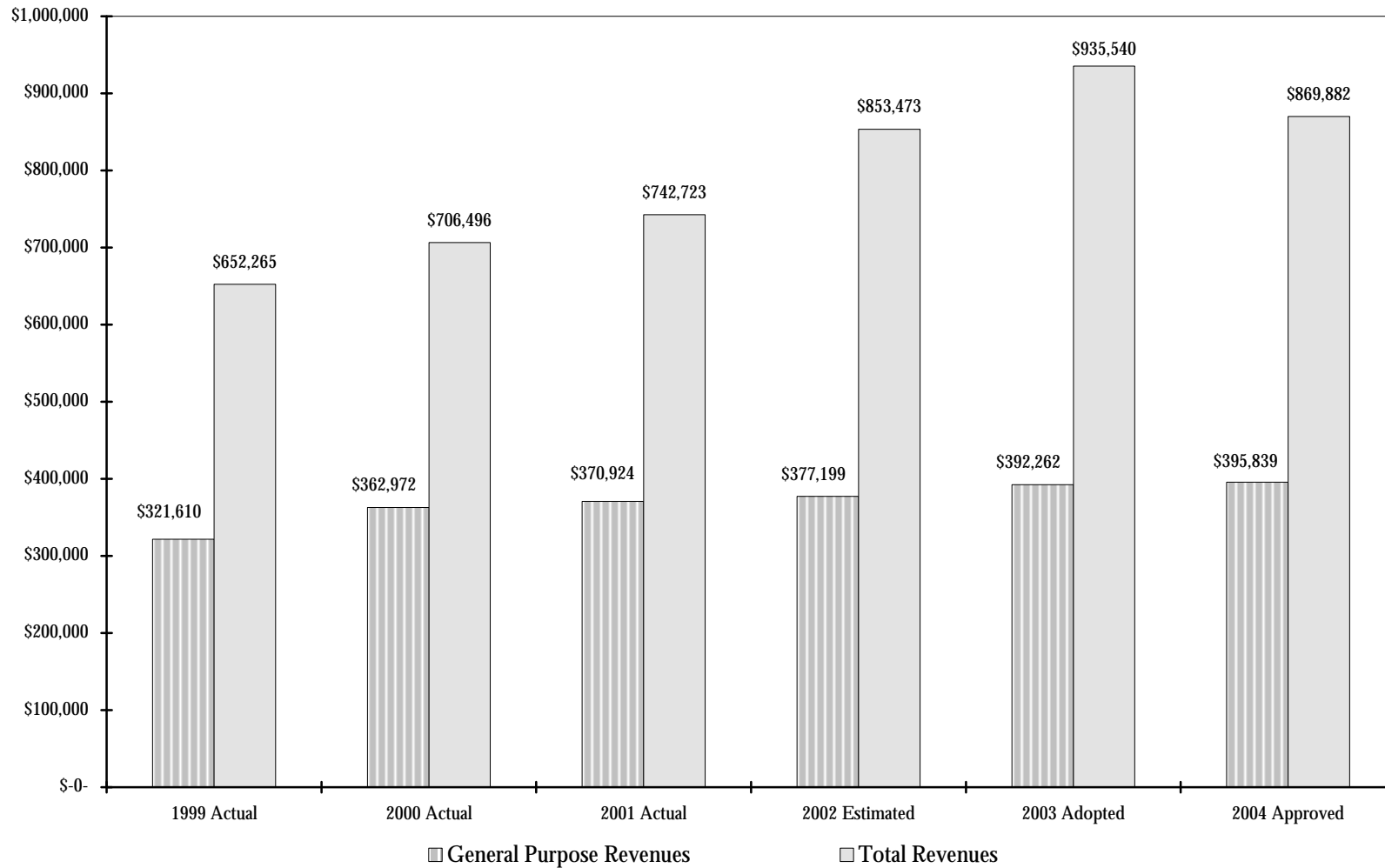
CLASSIFICATION	TOTAL BUDGET	GENERAL PURPOSE FUNDS			RESTRICTED FUNDS		
		TOTAL RECURRING	OPERATING BUDGET	CAPITAL BUDGET	TOTAL RESTRICTED	OPERATING BUDGET	CAPITAL BUDGET
FUNDS AVAILABLE							
Recurring Revenues							
Primary Property Tax	\$ 3,864,260	\$ 3,864,260	\$ 3,864,260	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Secondary Property Tax	22,907,710	-0-	-0-	-0-	22,907,710	22,907,710	-0-
Business Privilege Tax	174,644,500	174,644,500	169,323,500	5,321,000	-0-	-0-	-0-
Other Local Taxes	18,526,990	18,526,990	18,526,990	-0-	-0-	-0-	-0-
Licenses and Permits	16,461,710	15,776,710	15,776,710	-0-	685,000	685,000	-0-
Fines, Forfeitures, and Penalties	8,347,600	8,347,600	8,347,600	-0-	-0-	-0-	-0-
Use of Money and Property	7,764,710	5,357,570	5,357,570	-0-	2,407,140	2,407,140	-0-
Grants and Shared Taxes	149,668,500	63,121,840	63,121,840	-0-	86,546,660	71,526,660	15,020,000
State Revenue Sharing	54,601,440	54,601,440	54,601,440	-0-	-0-	-0-	-0-
Charges for Current Services	49,638,520	47,884,240	47,884,240	-0-	1,754,280	1,754,280	-0-
Non-Revenue Receipts	10,992,480	2,147,980	2,147,980	-0-	8,844,500	8,844,500	-0-
Public Housing	51,488,040	-0-	-0-	-0-	51,488,040	48,043,040	3,445,000
Other Federal Revenues	25,939,630	-0-	-0-	-0-	25,939,630	24,664,630	1,275,000
Total Recurring Revenues (Without Utilities)	\$ 594,846,090	\$ 394,273,130	\$ 388,952,130	\$ 5,321,000	\$ 200,572,960	\$ 180,832,960	\$ 19,740,000
Golf	10,710,220	-0-	-0-	-0-	10,710,220	10,118,220	592,000
Water	125,666,000	-0-	-0-	-0-	125,666,000	109,347,000	16,319,000
Total Recurring Revenues	\$ 731,222,310	\$ 394,273,130	\$ 388,952,130	\$ 5,321,000	\$ 336,949,180	\$ 300,298,180	\$ 36,651,000
Non-Recurring Federal Grants	46,026,000	-0-	-0-	-0-	46,026,000	-0-	46,026,000
Bond Proceeds	73,458,000	-0-	-0-	-0-	73,458,000	-0-	73,458,000
Certificates of Participation	12,222,000	-0-	-0-	-0-	12,222,000	-0-	12,222,000
Brought Forward	6,953,830	1,565,820	1,565,820	-0-	5,388,010	847,010	4,541,000
TOTAL FUNDS AVAILABLE	\$ 869,882,140	\$ 395,838,950	\$ 390,517,950	\$ 5,321,000	\$ 474,043,190	\$ 301,145,190	\$ 172,898,000
APPROPRIATIONS							
Elected and Official	\$ 17,522,110	\$ 16,771,540	\$ 16,771,540	\$ -0-	\$ 750,570	\$ 750,570	\$ -0-
Neighborhood Services	361,138,680	226,986,310	224,361,310	2,625,000	134,152,370	99,368,370	34,784,000
Environment and Development	355,269,140	86,542,530	83,846,530	2,696,000	268,726,610	142,834,610	125,892,000
Strategic Initiatives	14,784,880	13,259,880	13,259,880	-0-	1,525,000	1,525,000	-0-
Support Services	56,565,910	44,744,410	44,744,410	-0-	11,821,500	3,599,500	8,222,000
Non-Departmental	74,660,390	17,593,250	17,593,250	-0-	57,067,140	53,067,140	4,000,000
TOTAL ALL ORGANIZATIONS	\$ 879,941,110	\$ 405,897,920	\$ 400,576,920	\$ 5,321,000	\$ 474,043,190	\$ 301,145,190	\$ 172,898,000

REVENUES AND EXPENDITURES COMPARISONS

CLASSIFICATION	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Funds Available					
Primary Property Tax	\$ 2,555,309	\$ 2,930,900	\$ 2,930,900	\$ 4,612,960	\$ 3,864,260
Secondary Property Tax	19,313,994	20,953,750	20,741,480	20,756,360	22,907,710
Business Privilege Tax	157,334,646	164,456,000	159,930,870	166,328,100	174,644,500
Other Local Taxes	16,190,335	14,431,000	15,435,790	17,839,710	18,526,990
Licenses and Permits	14,574,310	16,687,000	15,870,900	15,963,740	16,461,710
Fines, Forfeitures, and Penalties	6,341,834	6,746,100	6,917,150	7,963,120	8,347,600
Use of Money and Property	7,374,688	7,434,080	4,883,010	7,618,830	7,764,710
Grants and Shared Taxes	132,031,597	139,962,110	141,605,400	141,988,760	149,668,500
State Revenue Sharing	51,619,372	51,047,000	50,755,000	52,388,880	54,601,440
Charges for Current Services	40,932,491	42,459,100	41,729,880	46,956,860	49,638,520
Non-Revenue Receipts	4,741,027	11,578,060	8,330,610	10,581,690	10,992,480
Public Housing	39,742,756	59,037,580	45,363,630	51,303,690	51,488,040
Other Federal Revenues	21,925,815	28,062,450	25,188,090	27,479,700	25,939,630
Golf	9,506,919	11,149,690	10,692,890	10,712,220	10,710,220
Water	102,895,000	113,516,750	112,998,890	117,279,000	125,666,000
Non-Recurring*	80,954,179	160,642,090	139,396,010	185,368,600	131,706,000
Brought Forward	34,688,524	52,828,270	50,702,485	50,397,650	6,953,830
Total Funds Available	\$ 742,722,796	\$ 903,921,930	\$ 853,472,985	\$ 935,539,870	\$ 869,882,140
Expenditures					
Elected and Official	\$ 14,932,697	\$ 17,428,290	\$ 17,167,960	\$ 14,908,900	\$ 17,522,110
Neighborhood Services	272,754,179	359,042,180	311,985,740	360,752,590	361,138,680
Environment and Development	286,754,162	388,392,730	361,963,620	407,623,890	355,269,140
Strategic Initiatives	8,107,256	9,769,030	9,375,570	14,890,120	14,784,880
Support Services	43,493,847	54,911,110	47,690,400	55,325,650	56,565,910
Non-Departmental	63,661,777	74,378,590	62,054,770	82,038,720	74,660,390
Total All Organizations	\$ 689,703,918	\$ 903,921,930	\$ 810,238,060	\$ 935,539,870	\$ 879,941,110

*Note: This revenue category consists of non-recurring federal funds, bond proceeds, and certificates of participation.

COMPARISON OF GENERAL PURPOSE REVENUES AND TOTAL REVENUES (\$000s)



SUMMARY OF EXPENDITURES BY DEPARTMENT

	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Elected and Official					
Mayor and Council	\$ 2,549,008	\$ 2,480,820	\$ 2,352,290	\$ 2,731,960	\$ 2,862,120
City Manager	3,710,006	4,273,940	4,146,500	2,194,810	2,279,200
City Clerk	2,374,739	3,796,710	3,796,710	2,681,980	4,767,010
City Attorney	6,298,944	6,876,820	6,872,460	7,300,150	7,613,780
Sub-Total	14,932,697	17,428,290	17,167,960	14,908,900	17,522,110
Neighborhood Services					
City Court	9,375,172	10,048,210	9,829,220	9,971,740	10,275,780
Community Services	52,747,889	76,226,570	57,960,430	70,954,330	70,354,020
Fire	40,493,333	54,558,360	49,125,560	55,674,410	56,441,740
Library	18,685,343	26,499,980	22,940,750	22,004,030	22,133,100
Neighborhood Resources	2,665,409	11,129,820	6,748,630	7,974,770	8,242,710
Parks and Recreation	38,693,690	58,896,820	41,948,000	65,806,940	55,503,150
Tucson City Golf	8,341,044	11,149,690	10,692,890	10,712,220	10,710,220
Police	99,676,900	108,317,250	110,526,680	115,244,090	124,962,200
Independent Police Auditor	135,558	143,000	141,100	147,440	154,440
Public Defender	1,939,841	2,072,480	2,072,480	2,262,620	2,361,320
Sub-Total	272,754,179	359,042,180	311,985,740	360,752,590	361,138,680
Environment and Development					
Development Services	6,078,623	7,098,080	6,943,750	7,950,940	8,277,560
Comprehensive Planning Task Force	2,828,973	3,569,470	3,387,470	2,993,180	2,970,680
Solid Waste Management	27,531,762	36,845,440	34,777,590	32,586,020	30,206,630
Transportation	116,351,336	174,485,120	153,464,710	191,331,190	149,084,420
Tucson Water	128,919,828	155,176,550	154,658,690	161,544,000	157,658,000
Environmental Management	4,612,678	10,630,180	8,261,630	10,700,060	6,562,370
Historic Preservation Office	288,082	437,950	320,340	360,770	344,410
Zoning Examiner	142,880	149,940	149,440	157,730	165,070
Sub-Total	286,754,162	388,392,730	361,963,620	407,623,890	355,269,140
Strategic Initiatives					
Tucson Convention Center	5,887,957	6,964,530	6,242,070	11,595,290	11,528,230
Office of Economic Development	1,282,728	1,815,750	2,124,530	2,179,910	2,115,620
Intergovernmental Relations	501,534	539,340	559,560	534,090	541,910
Tucson-Mexico Trade Office	435,037	449,410	449,410	580,830	599,120
Sub-Total	8,107,256	9,769,030	9,375,570	14,890,120	14,784,880

Summary of Expenditures by Department (Continued)

	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Support Services					
Budget and Research	\$ 1,889,519	\$ 2,318,740	\$ 2,243,740	\$ 2,137,100	\$ 2,039,810
Finance	6,608,272	6,937,270	6,937,270	7,321,740	7,596,200
Human Resources	2,924,564	3,070,330	3,070,330	2,977,290	3,028,400
Information Technology	10,299,930	12,219,200	11,959,520	11,830,050	11,491,580
Operations	17,612,056	26,176,680	19,457,380	26,836,700	28,210,410
Procurement	3,660,349	3,395,960	3,336,330	3,520,360	3,486,340
Equal Opportunity Office	499,157	792,930	685,830	702,410	713,170
Sub-Total	43,493,847	54,911,110	47,690,400	55,325,650	56,565,910
Non-Departmental					
Outside Agencies	7,410,097	7,114,240	7,082,360	6,751,970	7,005,690
General Expense	6,303,338	16,827,490	4,522,820	23,789,050	11,123,200
Debt Service	49,948,342	50,261,860	50,449,590	51,296,790	56,356,500
Contingency Fund	-0-	175,000	-0-	200,910	175,000
Sub-Total	63,661,777	74,378,590	62,054,770	82,038,720	74,660,390
Total All Departments	\$ 689,703,918	\$ 903,921,930	\$ 810,238,060	\$ 935,539,870	\$ 879,941,110

SUMMARY BY CHARACTER OF EXPENDITURES

	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Personal Services	\$ 283,018,055	\$ 303,040,130	\$ 300,488,510	\$ 324,236,770	\$ 341,519,970
Services	167,207,677	196,507,860	192,404,380	194,953,780	195,922,110
Commodities	52,288,880	55,204,890	54,776,510	53,575,410	52,846,570
Equipment	19,549,591	23,038,540	19,599,740	17,194,150	16,690,910
Debt Service	72,751,755	78,764,860	78,906,590	80,023,330	87,163,560
Other	47,772,673	38,582,250	39,363,680	46,136,220	48,331,850
Inter-Activity Transfers	(66,153,220)	(28,393,800)	(52,132,040)	(39,207,190)	(40,752,860)
Operating Total	576,435,411	666,744,730	633,407,370	676,912,470	701,722,110
Capital Improvements	113,268,507	237,177,200	176,830,690	258,627,400	178,219,000
Total All Expenditures	\$ 689,703,918	\$ 903,921,930	\$ 810,238,060	\$ 935,539,870	\$ 879,941,110

REVENUE DETAIL

All Funds Summary

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
GENERAL FUND	\$ 306,451,635	\$ 326,565,120	\$ 318,943,234	\$ 338,248,240	\$ 330,730,350
SPECIAL REVENUE FUNDS	228,888,401	311,760,320	285,787,321	320,469,580	290,115,310
ENTERPRISE FUNDS	112,401,919	124,666,440	123,691,780	127,991,220	136,376,220
DEBT SERVICE FUNDS	34,555,149	36,516,650	36,295,760	36,791,630	39,202,260
CAPITAL PROJECTS FUNDS	60,425,692	104,413,400	88,754,890	112,039,200	73,458,000
TOTAL ALL FUNDS	\$ 742,722,796	\$ 903,921,930	\$ 853,472,985	\$ 935,539,870	\$ 869,882,140
General Fund					
Primary Property Tax	\$ 2,555,309	\$ 2,930,900	\$ 2,930,900	\$ 4,612,960	\$ 3,864,260
Business Privilege Tax	103,723,357	105,769,770	103,621,610	104,096,980	111,708,430
Other Local Taxes	16,190,335	17,180,000	15,435,790	17,839,710	18,526,990
Licenses and Permits	14,564,260	13,928,000	15,860,900	15,953,740	16,451,710
Fines, Forfeitures, and Penalties	6,341,834	6,746,100	6,917,150	7,963,120	8,347,600
Use of Money and Property	4,486,623	5,929,080	3,800,330	6,065,670	6,161,850
Grants and Shared Taxes	59,586,100	58,152,620	58,367,480	60,542,620	62,963,620
State Revenue Sharing	51,619,372	51,047,000	50,755,000	52,388,880	54,601,440
Charges for Current Services	17,202,434	16,770,130	17,870,600	20,220,760	22,014,150
Non-Revenue Receipts	4,140,047	11,578,060	8,330,610	10,581,690	10,992,480
Certificates of Participation	6,830,025	10,565,590	10,565,590	15,802,900	12,222,000
Brought Forward	19,211,939	11,711,990	10,231,394	6,061,710	517,700
Use of Fund Balance	-0-	14,255,880	14,255,880	16,117,500	2,358,120
Total General Fund	\$ 306,451,635	\$ 326,565,120	\$ 318,943,234	\$ 338,248,240	\$ 330,730,350
Special Revenue Funds					
Business Privilege Tax	\$ 53,611,289	\$ 58,686,230	\$ 56,309,260	\$ 62,231,120	\$ 62,936,070
Licenses and Permits	10,050	10,000	10,000	10,000	10,000
Use of Money and Property	2,888,065	1,505,000	1,082,680	1,553,160	1,602,860
Grants and Shared Taxes	57,204,342	66,246,590	67,683,640	65,410,870	70,410,330
Charges for Current Services	23,730,057	25,688,970	23,859,280	26,736,100	27,624,370
Public Housing Local Revenue	1,686,942	1,942,620	2,027,660	2,027,660	2,027,660
Federal Grants	71,680,091	130,499,010	108,278,090	134,282,230	121,426,010
Non-Revenue Receipts	600,980	-0-	-0-	-0-	-0-
Certificates of Participation	2,000,000	321,500	321,500	-0-	-0-
Brought Forward	5,552,974	15,563,980	14,567,131	17,132,400	3,752,310
Use of Fund Balance	9,923,611	11,296,420	11,648,080	11,086,040	325,700
Total Special Revenue Funds	\$ 228,888,401	\$ 311,760,320	\$ 285,787,321	\$ 320,469,580	\$ 290,115,310

All Funds Summary (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Enterprise Funds					
Golf Course	\$ 9,506,919	\$ 11,149,690	\$ 10,692,890	\$ 10,712,220	\$ 10,710,220
Water Utility	102,895,000	113,516,750	112,998,890	117,279,000	125,666,000
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Total Enterprise Funds	\$ 112,401,919	\$ 124,666,440	\$ 123,691,780	\$ 127,991,220	\$ 136,376,220
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Debt Service Funds					
Secondary Property Tax	\$ 19,313,994	\$ 20,953,750	\$ 20,741,480	\$ 20,756,360	\$ 22,907,710
State Shared Taxes	15,241,155	15,562,900	15,554,280	16,035,270	16,294,550
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Total Debt Service Funds	\$ 34,555,149	\$ 36,516,650	\$ 36,295,760	\$ 36,791,630	\$ 39,202,260
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Capital Projects Funds					
Bond Funds Proceeds	\$ 60,425,692	\$ 104,413,400	\$ 88,754,890	\$ 112,039,200	\$ 73,458,000
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Total Capital Projects Funds	\$ 60,425,692	\$ 104,413,400	\$ 88,754,890	\$ 112,039,200	\$ 73,458,000
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GENERAL FUND

The General Fund accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government which are not accounted for in other funds. These services include Elected and Official, Neighborhood Services, Environment and Development, Strategic Initiatives, Support Services, and Non-Departmental program categories.

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Primary Property Tax	\$ 2,555,309	\$ 2,930,900	\$ 2,930,900	\$ 4,612,960	\$ 3,864,260
Business Privilege Tax	\$ 103,723,357	\$ 105,769,770	\$ 103,621,610	\$ 104,096,980	\$ 111,708,430
Other Local Taxes					
Public Utility Tax	\$ 6,538,965	\$ 7,211,000	\$ 6,539,500	\$ 7,499,440	\$ 7,799,420
Transient Occupancy Tax	5,061,860	5,275,000	4,479,100	5,486,000	5,707,440
Room Tax	1,931,305	1,945,000	1,728,390	2,022,800	2,103,710
Occupational Taxes	1,948,124	2,039,000	1,971,600	2,100,170	2,163,180
Liquor Taxes	710,081	710,000	717,200	731,300	753,240
Total	\$ 16,190,335	\$ 17,180,000	\$ 15,435,790	\$ 17,839,710	\$ 18,526,990
Licenses and Permits					
Sign Permits	\$ 279,585	\$ 256,000	\$ 366,620	\$ 263,680	\$ 271,590
Parking Meter Collections	673,575	547,000	676,620	563,410	580,320
Hooded Meter Fees	21,895	32,000	23,100	32,960	33,950
Vehicle Permits	34,455	49,500	-0-	50,985	52,520
Cable Television Licenses	1,903,744	2,818,000	3,075,000	3,568,535	3,675,580
MCI Settlement	293,790	225,000	225,000	231,750	238,700
Telecommunications	15,000	7,500	7,500	7,730	7,970
Applications Fee					
Telecommunications Licenses and Franchise Fees	734,470	1,074,000	600,560	1,106,220	1,139,410
Utility Franchise Fees	10,607,746	8,919,000	10,886,500	10,128,470	10,451,670
Total	\$ 14,564,260	\$ 13,928,000	\$ 15,860,900	\$ 15,953,740	\$ 16,451,710
Fines, Forfeitures, and Penalties					
Civil Traffic Diversion Program	\$ 1,447,464	\$ 1,000,000	\$ 1,413,300	\$ 1,600,000	\$ 1,650,000
Prosecutor's Diversion Program	141,468	140,200	156,400	147,200	154,570
Civil Traffic Violations	140,970	-0-	313,600	350,000	375,000
Criminal Traffic Violations	3,170,528	3,200,000	3,314,600	3,750,000	3,800,000
Non-Moving Traffic Violations	2,324	2,000	-0-	2,100	2,210
Criminal Misdemeanor	23	100	-0-	100	100
Driving Under the Influence	72,284	55,000	50,800	57,740	60,640
Filing Fees-Domestic Violence	44,408	45,000	42,400	45,000	49,610
Probation Fees	290,251	300,000	262,900	315,000	330,750
City Court Miscellaneous	383,605	500,000	153,800	150,000	301,060
Time Payment Fees	133,983	149,900	163,700	150,000	165,270
Sub-Total	5,827,308	5,392,200	5,871,500	6,567,140	6,889,210

General Fund (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Other Fines/Forfeitures					
Parking Violations	\$ 419,787	\$ 1,208,900	\$ 995,490	\$ 1,269,600	\$ 1,325,680
Zoning Code Violations	16,471	20,000	21,500	21,000	22,050
Fire Code Violations	648	2,000	-0-	2,100	2,210
Building Code Violations	2,412	2,500	11,900	3,000	3,150
Waste Water Violations	1,583	25,000	-0-	-0-	-0-
Other Fines/Forfeitures	3,692	2,000	3,260	2,100	2,210
False Alarm Violations	5,421	20,000	4,800	21,000	22,050
Offroad Vehicle Violations	7,084	6,000	4,000	6,300	6,620
Dishonored Check	57,428	67,500	4,700	70,880	74,420
Sub-Total	514,526	1,353,900	1,045,650	1,395,980	1,458,390
Total	\$ 6,341,834	\$ 6,746,100	\$ 6,917,150	\$ 7,963,120	\$ 8,347,600
Use of Money and Property					
City Parking Facilities	\$ 405,167	\$ 1,334,560	\$ 749,620	\$ 1,373,830	\$ 1,389,100
Rentals	416,428	480,000	483,100	495,360	511,210
Tenant Rent	571,110	676,020	674,720	748,750	804,280
El Presidio Garage	193,716	170,000	185,000	175,440	181,050
Redeemed Certificates	13,571	-0-	-0-	-0-	-0-
Telephone Pay Booths	32,017	25,000	14,900	25,800	26,630
Residential Parking Permit	12,736	19,400	12,960	20,020	20,660
Non-Residential Parking Permit	100,437	74,100	102,840	76,470	78,920
Interest Earnings	2,741,441	3,150,000	1,577,190	3,150,000	3,150,000
Total	\$ 4,486,623	\$ 5,929,080	\$ 3,800,330	\$ 6,065,670	\$ 6,161,850
Grants and Shared Taxes					
Shared State Taxes					
Auto Lieu Taxes	\$ 18,181,447	\$ 16,303,000	\$ 18,140,500	\$ 18,530,060	\$ 18,957,640
State Sales Tax	40,649,427	39,119,000	37,602,500	39,483,000	41,457,200
Sub-Total	58,830,874	55,422,000	55,743,000	58,013,060	60,414,840
Grants-In-Aid (State and Local)					
City Manager Grants	6,589	20,000	3,390	-0-	-0-
City Attorney Grants	57,967	124,290	124,290	207,810	210,010
City Court Grants	85,560	175,000	175,000	175,000	175,000
Police Grants	559,550	2,009,490	2,007,970	1,756,430	1,769,230
Parks and Recreation Grants	45,560	401,840	313,830	390,320	394,540
Sub-Total	755,226	2,730,620	2,624,480	2,529,560	2,548,780
Total	\$ 59,586,100	\$ 58,152,620	\$ 58,367,480	\$ 60,542,620	\$ 62,963,620
State Revenue Sharing	\$ 51,619,372	\$ 51,047,000	\$ 50,755,000	\$ 52,388,880	\$ 54,601,440

General Fund (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Charges for Current Services					
General Government					
Zoning Adjustments	\$ 292,737	\$ 280,000	\$ 247,800	\$ 491,200	\$ 502,850
Mutual Aid Communication System	26,000	26,000	26,000	27,040	28,120
Dispatch IGA	374,025	365,500	393,600	380,120	395,330
Sale of Codes, Regulations, and Maps	32,341	28,560	28,000	29,700	30,890
Other	21,012	5,000	11,600	5,200	5,410
Sub-Total	746,115	705,060	707,000	933,260	962,600
Public Safety					
University of Arizona Fire Services	100,000	100,000	100,000	104,000	108,160
Emergency Medical Transport	4,059,416	3,800,000	4,600,000	5,800,000	6,032,080
Police Charges	85,402	52,400	104,130	54,500	56,680
Police Protection	6,524	6,200	2,030	6,450	6,710
Crime Lab Service Fees	274,401	-0-	-0-	-0-	-0-
Sub-Total	4,525,743	3,958,600	4,806,160	5,964,950	6,203,630
Development Services Charges					
Permit Inspection Fee	7,147,790	7,184,750	7,849,720	7,328,450	7,475,020
Review Fees	1,400,236	1,224,280	1,460,980	1,248,770	1,273,750
Other	70,915	20,000	41,590	20,800	21,630
Sub-Total	8,618,941	8,429,030	9,352,290	8,598,020	8,770,400
Recreation					
Fee Classes	1,060,776	1,052,000	1,032,980	1,351,190	1,740,900
Facility Reservations	181,874	200,000	186,570	257,920	330,970
Permits	59,684	73,000	63,040	94,140	120,570
Civic Events Equipment	50,401	97,000	52,960	124,590	160,210
General Recreation Programs	49,103	109,340	52,550	140,430	180,640
Sports Programs	156,736	186,000	152,910	238,900	307,200
Udall Center Programs	157,494	155,000	149,630	199,080	256,510
Randolph Center Programs	22,924	30,000	23,080	38,530	49,550
Tennis Centers	44,226	54,000	43,010	69,360	89,190
Swimming Pool Admissions	148,672	194,300	138,860	249,550	320,900
El Pueblo Center Programs	111,824	110,000	108,310	141,280	181,680
Zoo Concessions	1,156,834	1,117,000	745,690	1,434,670	1,843,570
Baseball Revenues	51,754	256,300	197,600	329,190	424,130
El Rio Center Programs	3,894	6,000	4,200	7,710	9,870
Quincie Douglas Center	11,574	-0-	14,030	3,210	4,100

General Fund (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Recreation (Continued)					
Clements Center	\$ 16,295	\$ 15,000	\$ 13,840	\$ 19,260	\$ 24,650
Rodeo Grounds	25,738	22,500	25,890	25,520	32,880
Miscellaneous	1,832	-0-	-0-	-0-	-0-
Sub-Total	3,311,635	3,677,440	3,005,150	4,724,530	6,077,520
Total	<u>\$ 17,202,434</u>	<u>\$ 16,770,130</u>	<u>\$ 17,870,600</u>	<u>\$ 20,220,760</u>	<u>\$ 22,014,150</u>
Non-Revenue Receipts					
Sale of Property					
Real Property	\$ 232,246	\$ 400,000	\$ 384,750	\$ 408,000	\$ 416,160
Vehicles	79,179	70,000	27,660	71,400	72,830
Scrap Material	25,677	16,800	14,840	17,140	17,480
Unclaimed Property	25,586	28,000	17,870	28,560	29,130
Other	45,298	32,000	43,550	32,640	33,290
Sub-Total	407,986	546,800	488,670	557,740	568,890
Recovered Expenditures					
Uninsured Damages	133,065	70,000	135,000	71,400	72,830
Industrial Insurance	93,988	110,000	95,500	112,200	114,440
Payroll Deductions Charges	2,244	2,000	2,200	2,040	2,080
Other	745,786	1,755,330	943,430	1,047,360	1,861,890
Sub-Total	975,083	1,937,330	1,176,130	1,233,000	2,051,240
Sundry Income					
Reimbursement Court Attorney Fees	67,612	70,000	64,200	71,400	72,830
Employee Fees	8,766	5,000	5,000	5,100	5,200
Other	109,991	42,600	120,280	43,450	44,320
Sub-Total	186,369	117,600	189,480	119,950	122,350
Other General Revenues	-0-	4,000,000	1,500,000	4,000,000	4,000,000
Off Duty Police Program	1,835,609	3,000,000	3,000,000	3,000,000	3,000,000
Other Funding Sources	735,000	1,976,330	1,976,330	1,671,000	1,250,000
Total	<u>\$ 4,140,047</u>	<u>\$ 11,578,060</u>	<u>\$ 8,330,610</u>	<u>\$ 10,581,690</u>	<u>\$ 10,992,480</u>
Certificates of Participation	<u>\$ 6,830,025</u>	<u>\$ 10,565,590</u>	<u>\$ 10,565,590</u>	<u>\$ 15,802,900</u>	<u>\$ 12,222,000</u>
Brought Forward	<u>\$ 19,211,939</u>	<u>\$ 11,711,990</u>	<u>\$ 10,231,394</u>	<u>\$ 6,061,710</u>	<u>\$ 517,700</u>
Use of Fund Balance	<u>\$ -0-</u>	<u>\$ 14,255,880</u>	<u>\$ 14,255,880</u>	<u>\$ 16,117,500</u>	<u>\$ 2,358,120</u>
Total General Fund	<u>\$ 306,451,635</u>	<u>\$ 326,565,120</u>	<u>\$ 318,943,234</u>	<u>\$ 338,248,240</u>	<u>\$ 330,730,350</u>

General Fund (Continued)

HIGHLIGHTS

Primary Property Tax

The city's Fiscal Year 2003 adopted revenue is \$1,682,060 higher than the Fiscal Year 2002 Adopted Budget due to an increase in the primary rate from \$0.1403 to \$0.2089 per \$100 assessed valuation and expected increase in property assessments for new development, annexations, and inflation. Fiscal Year 2004 collections are projected to decrease \$748,700 to offset an increase in the secondary property tax rate used for debt service on the voter approved 2000 Bond Authorization. The change in the primary rate maintains the combined property tax rate at \$1.1202.

Business Privilege Tax

Revenue from the business privilege tax is a funding source for the general fund and various special revenue funds. For Fiscal Year 2003 the total projected sales tax collections are \$166,328,100, a 1.1% increase over the Fiscal Year 2002 adopted amount. This increase is the result of a 2.9% decrease in Fiscal Year 2002 estimated revenues and a 4% projected increase for Fiscal Year 2003 over the Fiscal Year 2002 estimate. Fiscal Year 2004 is projected to increase another 5% to \$174,644,500. Of the Fiscal Year 2003 total, \$104,096,980 is allocated to the general fund and \$62,231,120 to special revenue funds.

Other Local Taxes

Other local taxes revenues for Fiscal Year 2003 are projected to increase \$659,710 over the adopted Fiscal Year 2002, based on economic trends. No rate increase is assumed for the utilities beyond what has been approved by the Arizona Corporation Commission. Major changes include:

- ◆ Public utility taxes increased \$288,440.
- ◆ Transient occupancy and room taxes increased \$288,800.

Fiscal Year 2004 is projected to increase \$687,280.

Licenses and Permits

This revenue source increased by \$2,025,740 over adopted Fiscal Year 2002 revenues primarily due to:

- ◆ Utility franchise fees revenues increased \$1,209,470.
- ◆ Revenue collected from cable television licenses increased \$750,535.

Both sources are projected to have much higher collections in Fiscal Year 2002, resulting in the large increase for Fiscal Year 2003. Fiscal Year 2004 is projected to increase a more modest \$497,970.

Fines, Forfeitures, and Penalties

Total revenues from all fines, forfeitures, and penalties are forecast to increase \$1,217,020 from Fiscal Year 2002 adopted revenues. This was mostly due to increased collection rates of court fines. Fiscal Year 2004 revenues are projected to increase an additional \$384,480.

Use of Money and Property

An increase of \$136,590 for Fiscal Year 2003 from Fiscal Year 2002 adopted revenues is projected for these revenue sources primarily due to economic growth.

Grants and Shared Taxes

State shared taxes and other state and local grant funds increased \$2,390,000 for Fiscal Year 2003 over Fiscal Year 2002 adopted revenues. Major changes are as follows:

- ◆ Shared state taxes are estimated to increase \$2,591,060, primarily for Auto Lieu taxes.
- ◆ State and local grants-in-aid are budgeted \$201,060 lower than Fiscal Year 2002.

Fiscal Year 2004 increases are projected to be \$2,421,000.

General Fund (Continued)

State Revenue Sharing

An increase of \$1,341,880 is forecast for Fiscal Year 2003 compared to the Fiscal Year 2002 Adopted Budget. Revenues in Fiscal Year 2004 are projected to grow an additional \$2,212,560. These increases assume a modest economic recovery after reductions in estimated Fiscal Year 2002 revenues.

Charges for Current Services

Total charges for current services for Fiscal Year 2003 are projected to increase \$3,450,630 over Fiscal Year 2002 adopted revenues. The following major increases are included:

- ◆ Emergency Medical Transport increased \$2,000,000 due to a rate increase approved by the State of Arizona.
- ◆ Parks and Recreation increased \$1,047,090, primarily due to rate increases of \$900,000.
- ◆ Zoning Adjustments increased \$211,200, primarily due to rate increases of \$200,000.
- ◆ Development Services charges increased \$168,990.

Fiscal Year 2004 revenues are projected to increase \$1,793,390.

Non-Revenue Receipts

These sources are projected to decrease \$996,370 for Fiscal Year 2003 primarily due to a reduction in recovered expenditures. Fiscal Year 2004 projections are \$410,790 higher than Fiscal Year 2003.

The proposed allotment of other general revenues reflects capacity for additional revenues that will be utilized to meet unexpected service demands or opportunities contingent upon the availability of funds. In no event will revenues be expended from this source without Mayor and Council review and approval.

Certificates of Participation

Certificates of participation increased \$5,237,310 based on financing requirements. This increase is primarily due to construction of the Midtown Multipurpose Facility. Requirements in Fiscal Year 2004 are expected to decrease \$3,580,900.

Brought Forward

Brought forward funding will decrease \$5,650,280 from Fiscal Year 2002 adopted amount based on carryforward requirements, and an additional \$5,544,010 in Fiscal Year 2004.

Use of Fund Balance

Use of fund balance is budgeted \$1,861,620 higher than Fiscal Year 2002 based on the availability of funding from prior years and the use of reserves. Fund balances budgeted in Fiscal Year 2004 are \$13,759,380 lower than Fiscal Year 2003.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources. They are usually required by statute, charter provision, local ordinance, or federal grant regulation to record particular operating or capital functions of the city.

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Business Privilege Tax					
Solid Waste Management Fund	\$ 15,848,745	\$ 18,062,320	\$ 16,783,580	\$ 14,627,120	\$ 13,161,740
Library Fund	8,964,235	8,404,090	8,458,810	9,047,850	9,502,230
Public Safety Academy Fund	2,953,980	3,355,420	3,524,730	3,821,750	3,975,850
Tucson Convention Center Fund	2,813,561	2,993,710	3,274,340	7,557,770	7,477,530
Mass Transit Fund	23,030,768	25,870,690	24,267,800	27,176,630	28,818,720
Total	\$ 53,611,289	\$ 58,686,230	\$ 56,309,260	\$ 62,231,120	\$ 62,936,070
Licenses and Permits					
Sanitation					
Refuse Hauling Fees	\$ 10,050	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total	\$ 10,050	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Use of Money and Property					
Interest Earnings					
Solid Waste Management Fund	\$ 34,522	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Library Fund	3,194	-0-	-0-	-0-	-0-
Public Safety Academy Fund	107,062	-0-	-0-	-0-	-0-
Highway User Revenue Fund	2,743,287	1,505,000	1,082,680	1,553,160	1,602,860
Total	\$ 2,888,065	\$ 1,505,000	\$ 1,082,680	\$ 1,553,160	\$ 1,602,860
Grants and Shared Taxes					
Shared State Taxes					
Highway User Revenue Fund	\$ 31,281,384	\$ 26,774,280	\$ 29,636,410	\$ 30,385,530	\$ 30,908,580
Local Transit Assistance Fund	2,811,393	2,706,800	2,706,800	2,707,000	2,707,000
Sub-Total	34,092,777	29,481,080	32,343,210	33,092,530	33,615,580
State and Local Grants					
City Manager Grants	-0-	100,000	-0-	-0-	-0-
City Attorney Grants	78,047	122,620	122,750	155,010	160,340
City Court Grants	146,504	362,400	162,400	362,000	365,080
Community Services Grants	51,531	500,000	500,000	500,000	650,000
Fire Grants	228	425,700	425,000	350,000	350,000
Pima County Library Support	8,348,279	9,739,090	9,759,470	10,176,980	10,656,500
State/Local Library Grants	414,993	1,900,000	1,750,000	1,150,000	500,000
Parks and Recreation Grants	3,690,300	5,516,010	5,051,290	3,530,830	5,896,420

Special Revenue Funds (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
State and Local Grants (Continued)					
Police Grants	\$ 737,792	\$ 1,135,170	\$ 874,390	\$ 1,098,390	\$ 1,095,790
Solid Waste Management Grants	-0-	410,000	390,380	410,000	410,000
Transportation Grants	8,920,024	10,401,720	10,401,720	7,754,950	6,915,000
Environmental Management	300,000	4,100,000	4,100,000	-0-	-0-
Historic Preservation Office	131,802	271,600	145,100	210,000	210,000
Operations Grants	90,535	1,500,000	1,500,000	1,500,000	1,500,000
Economic Development	-0-	-0-	34,560	34,560	-0-
General Expense	201,530	281,200	123,370	285,620	285,620
Debt Service	-0-	-0-	-0-	4,800,000	7,800,000
Sub-Total	23,111,565	36,765,510	35,340,430	32,318,340	36,794,750
Total	\$ 57,204,342	\$ 66,246,590	\$ 67,683,640	\$ 65,410,870	\$ 70,410,330
Charges for Current Services					
Public Safety					
Public Safety Academy	\$ 544,479	\$ 827,930	\$ 827,930	\$ 836,020	\$ 854,280
Sanitation					
Commercial Refuse Services	5,104,627	5,272,000	5,200,000	5,782,880	6,002,200
Landfill Services Charges	3,904,726	4,178,000	3,800,000	4,345,120	4,518,930
Self Haul Fee	576,373	558,000	575,000	580,320	603,530
Refuse Penalties	185,438	130,000	100,000	135,200	140,610
Recycling	64,006	46,000	40,000	297,840	549,750
Sub-Total	9,835,170	10,184,000	9,715,000	11,141,360	11,815,020
Library Charges	559,035	605,000	570,670	629,200	654,370
Public Transportation					
Adult Fares	5,653,724	5,518,670	5,304,860	5,459,630	5,509,630
Special Reduced Rates	1,445,930	1,508,720	1,446,950	1,508,720	1,508,720
Student Fares	116,994	-0-	-0-	-0-	-0-
Shuttle Service	204,450	215,620	54,150	215,620	215,620
Advertising Revenue	70,000	70,000	70,000	70,000	70,000
County/Other Local Operating Assistance	2,038,740	2,578,770	2,557,910	2,578,770	2,578,770
Special Needs	284,921	262,260	277,000	262,260	262,260
Other	127,954	105,000	224,900	105,000	105,000
Sub-Total	9,942,713	10,259,040	9,935,770	10,200,000	10,250,000

Special Revenue Funds (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Charges for Current Services (Continued)					
Tucson Convention Center					
Room and Space Rental	\$ 1,086,146	\$ 1,500,000	\$ 1,220,290	\$ 1,560,000	\$ 1,622,400
Box Office Fees	130,446	200,000	160,000	200,000	200,000
Parking	697,801	700,000	700,000	728,000	757,120
Recovered Expenditures	41,152	45,000	46,230	46,800	48,670
Catering and Concessions	423,909	550,000	480,000	572,000	594,880
Program Sales	29,853	70,000	34,170	72,800	75,710
Commission Revenues	84,526	48,000	90,000	49,920	51,920
Facility User Fees	334,400	700,000	80,000	700,000	700,000
Miscellaneous	20,427	-0-	(780)	-0-	-0-
Sub-Total	2,848,660	3,813,000	2,809,910	3,929,520	4,050,700
Total	<u>\$ 23,730,057</u>	<u>\$ 25,688,970</u>	<u>\$ 23,859,280</u>	<u>\$ 26,736,100</u>	<u>\$ 27,624,370</u>
Public Housing Local Revenue	<u>\$ 1,686,942</u>	<u>\$ 1,942,620</u>	<u>\$ 2,027,660</u>	<u>\$ 2,027,660</u>	<u>\$ 2,027,660</u>
Federal Grants					
Public Housing Federal Revenue					
Conventional/Development Fund	\$ 3,905,947	\$ 3,368,890	\$ 3,992,760	\$ 4,013,700	\$ 3,990,200
HOME Fund	4,740,677	7,493,770	4,953,190	7,435,000	7,535,000
Section 8 Fund	21,430,738	21,654,970	25,221,200	23,965,200	23,861,110
Comprehensive Housing Fund	1,232,510	4,553,830	2,802,320	3,516,100	3,319,050
Miscellaneous Federal Housing Funds	2,087,670	5,415,180	2,868,580	4,995,170	5,981,020
HOPE VI Fund	4,658,272	14,608,320	3,497,920	5,350,860	4,774,000
Sub-Total	38,055,814	57,094,960	43,335,970	49,276,030	49,460,380
Other Federal Revenue					
Community Development Block Grant Entitlement	7,331,923	11,779,260	7,952,100	13,093,870	12,744,770
City Attorney Grants	259,676	325,340	325,340	357,950	380,220
Community Services Grants	920,692	863,410	944,710	1,651,400	1,366,810
Fire Grants	61,451	1,023,800	1,023,800	300,000	-0-
Parks and Recreation Grants	551,140	949,270	650,120	664,240	671,550
Police Grants	7,793,727	8,849,300	9,665,010	6,330,030	5,904,580
Planning Grants	-0-	110,000	-0-	80,000	80,000
Solid Waste Management Grants	9,800	7,100	19,620	-0-	-0-
Mass Transit Grants	7,105,670	22,714,600	14,031,520	23,948,500	24,494,000
Transportation Grants	7,332,950	25,233,630	28,438,620	36,360,210	24,323,700
Environmental Management	156,998	38,340	38,340	200,000	-0-
Historic Preservation Office	7,520	10,000	20,000	20,000	-0-
Economic Development	-0-	-0-	324,220	500,000	500,000

Special Revenue Funds (Continued)

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Other Federal Revenue (Continued)					
Operations Grant	\$ 63,730	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
General Expense	29,000	-0-	8,720	-0-	-0-
Debt Service	2,000,000	-0-	-0-	-0-	-0-
Sub-Total	33,624,277	73,404,050	64,942,120	85,006,200	71,965,630
Total	\$ 71,680,091	\$ 130,499,010	\$ 108,278,090	\$ 134,282,230	\$ 121,426,010
Non-Revenue Receipts					
Sale of Property					
Real Property	\$ 96,956	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Vehicles	33,272	-0-	-0-	-0-	-0-
Sub-Total	130,228	-0-	-0-	-0-	-0-
Recovered Expenditures					
Other	470,752	-0-	-0-	-0-	-0-
Sub-Total	470,752	-0-	-0-	-0-	-0-
Total	\$ 600,980	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Certificates of Participation					
Public Safety Academy Fund	\$ 2,000,000	\$ 321,500	\$ 321,500	\$ -0-	\$ -0-
Total	\$ 2,000,000	\$ 321,500	\$ 321,500	\$ -0-	\$ -0-
Brought Forward					
Solid Waste Management Fund	\$ 450,000	\$ 1,091,600	\$ 784,340	\$ -0-	\$ 3,231,000
Library Fund	-0-	551,800	551,800	-0-	-0-
Tucson Convention Center Fund	225,000	157,820	157,820	108,000	-0-
Capital Contribution Agreements	4,404,400	7,331,700	7,331,700	11,986,900	-0-
Highway User Revenue Fund	473,574	3,928,660	3,577,000	3,890,300	521,310
Mass Transit Fund	-0-	2,502,400	2,164,471	1,147,200	-0-
Total	\$ 5,552,974	\$ 15,563,980	\$ 14,567,131	\$ 17,132,400	\$ 3,752,310
Use of Fund Balance					
Solid Waste Management Fund	\$ 2,485,000	\$ 1,654,800	\$ 1,654,800	\$ 4,748,700	\$ -0-
Highway User Revenue Fund	5,879,330	9,641,620	9,993,280	6,337,340	325,700
Mass Transit Fund	1,559,281	-0-	-0-	-0-	-0-
Total	\$ 9,923,611	\$ 11,296,420	\$ 11,648,080	\$ 11,086,040	\$ 325,700
Total Special Revenue Funds	\$ 228,888,401	\$ 311,760,320	\$ 285,787,321	\$ 320,469,580	\$ 290,115,310

Special Revenue Funds (Continued)

HIGHLIGHTS

Business Privilege Tax

Changes from Fiscal Year 2002 reflect increases/decreases necessary to offset the expenditures for these funds based on their projected budgets and revenues. The net increase for Fiscal Year 2003 is \$3,544,890, primarily due to increase in requirements for Tucson Convention Center. The increase is offset by a reduction in general fund debt payments. An additional increase of \$704,950 is projected for Fiscal Year 2004.

Licenses and Permits

Refuse hauling fees remained the same.

Use of Money and Property

Interest earnings are projected to increase \$48,160 for Fiscal Year 2003 from Fiscal Year 2002 adopted revenue, and an additional \$49,700 in Fiscal Year 2004.

Grants and Shared Taxes

For Fiscal Year 2003 state shared taxes and other state and local grants decreased \$835,720 from Fiscal Year 2002 adopted budgets based on implementation of funded programs and projects. Major changes include the following:

- ◆ Highway User Revenue Fund (HURF) revenues reflect an increase of \$3,611,250.
- ◆ Environmental Management grants decreased \$4,100,000.
- ◆ Grant funding for transportation purposes reflect a net increase of \$2,153,230 based on \$4,800,000 in Pima Association of Governments (PAG) funding added in Debt Service and a \$2,646,770 decrease in the Transportation Department budget.
- ◆ Grant capacity for libraries and parks and recreation programs decreased \$2,297,290.

Fiscal Year 2004 funding is projected to increase \$4,999,460 primarily due to PAG funding for transportation debt service and capacity for future grants.

Charges for Current Services

Charges for current services are forecast to increase \$1,047,130 for Fiscal Year 2003.

- ◆ Sanitation revenues are expected to increase \$957,360 due to increased landfill use and recycling rates.
- ◆ Tucson Convention Center revenues increased by \$116,520.

Fiscal Year 2004 funding is projected to increase \$888,270.

Public Housing Local Revenue

Local revenues restricted to public housing increased \$85,040 from Fiscal Year 2002 adopted revenues and is anticipated to be at the same level for both Fiscal Years 2003 and 2004.

Federal Grants

Federal funding is anticipated to be \$3,783,220 higher for Fiscal Year 2003, while funding for Fiscal Year 2004 is projected to decrease \$12,856,220 as projects are completed. Major changes to Fiscal Year 2003 are as follows:

- ◆ Public Housing funds decreased \$7,818,930 based on completion of federally funded projects, net of a \$2,310,230 increase in Section 8 funds.
- ◆ Other federal grants increased \$11,602,150 including new funding for transportation capital projects and Community Services and Community Development Block Grant programs, with decreases due to completion of Police and Fire projects.

Special Revenue Funds (Continued)

Certificates of Participation (COP)

Requirements for COP funding decreased \$321,500 due to completion of improvements at the Public Safety Training Academy.

Brought Forward

Brought forward funding will increase \$1,568,420 from Fiscal Year 2002 based on carryforward requirements. Fiscal Year 2004 is projected to decrease \$13,380,090.

Use of Fund Balance

Use of fund balances decreased \$210,380 for Fiscal Year 2003 based on requirements for the use of reserves. Fund balances budgeted in Fiscal Year 2004 are \$10,760,340 lower than Fiscal Year 2003.

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises and where periodic determination of net income is desired. Expenses, including depreciation, of goods or services to the general public are recovered primarily through user charges.

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
Golf Course Fund					
Green Fees	\$ 4,726,947	\$ 5,391,590	\$ 5,207,770	\$ 5,307,770	\$ 5,408,000
Cart Rentals	2,139,210	1,979,210	1,988,310	1,850,000	2,200,000
Pro Shop Operations	503,422	607,000	652,470	570,000	580,000
Driving Range	536,615	561,800	578,650	535,000	545,000
Club House Operations	1,278,778	1,372,000	1,391,050	1,290,000	1,380,000
Other	321,947	821,090	733,040	702,650	597,220
Certificates of Participation	-0-	417,000	141,600	456,800	-0-
Total	<u>\$ 9,506,919</u>	<u>\$ 11,149,690</u>	<u>\$ 10,692,890</u>	<u>\$ 10,712,220</u>	<u>\$ 10,710,220</u>
Water Utility					
Operating Water Revenue					
Potable Water Sales	\$ 81,611,000	\$ 90,527,780	\$ 90,188,890	\$ 94,256,000	\$ 100,517,000
Central Arizona Project Reserve Fund	906,000	962,000	962,000	956,000	977,000
Connection Fees	3,087,000	2,898,000	2,898,000	3,123,000	3,123,000
Miscellaneous Revenue	2,453,000	2,298,000	2,039,000	2,586,000	2,599,000
Pima County - Sewer Billing Services	1,451,000	1,484,000	1,420,000	1,448,000	1,477,000
Reclaimed Water Sales	4,360,000	5,251,970	4,626,000	5,044,000	5,504,000
Sales Tax	5,988,000	6,922,000	6,739,000	7,123,000	7,595,000
Sub-Total	<u>99,856,000</u>	<u>110,343,750</u>	<u>108,872,890</u>	<u>114,536,000</u>	<u>121,792,000</u>
Non-Operating Water Revenue					
Interest Earnings-Operating Fund	1,038,000	1,158,000	1,225,000	1,008,000	993,000
Tucson Airport Remediation Project Reimbursement	589,000	788,000	785,000	777,000	783,000
Metropolitan Water Company Reserve Account	246,000	236,000	236,000	370,000	494,000
Area Development Fees	1,166,000	540,000	1,480,000	1,004,000	1,004,000
Use of Working Capital	-0-	-0-	-0-	(781,000)	450,000
Miscellaneous Grants	-0-	451,000	400,000	365,000	150,000
Sub-Total	<u>3,039,000</u>	<u>3,173,000</u>	<u>4,126,000</u>	<u>2,743,000</u>	<u>3,874,000</u>
Total	<u>\$ 102,895,000</u>	<u>\$ 113,516,750</u>	<u>\$ 112,998,890</u>	<u>\$ 117,279,000</u>	<u>\$ 125,666,000</u>
Total Enterprise Funds	<u>\$ 112,401,919</u>	<u>\$ 124,666,440</u>	<u>\$ 123,691,780</u>	<u>\$ 127,991,220</u>	<u>\$ 136,376,220</u>

Enterprise Funds (Continued)

HIGHLIGHTS

Golf Course Fund

Golf revenues projected for Fiscal Year 2003 reflect a decrease of \$437,470 from Fiscal Year 2002 adopted revenues based on revisions to the approved Tucson City Golf Business Plan. Fiscal Year 2004 revenues are projected to decrease \$2,000.

Water Utility

The proposed revenue for Fiscal Year 2003 reflects an increase of \$3,762,250 over the Fiscal Year 2002 adopted amount. This includes an average 4.5% water rate increase for potable water sales for both Fiscal Years 2003 and 2004 as well as growth in service demand. Revenues in Fiscal Year 2004 are projected to increase \$8,387,000.

DEBT SERVICE FUNDS

Debt Service Funds are created to account for the payment of principal and interest on long-term bonded debt other than that issued for and serviced primarily by an enterprise fund.

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
General Obligation Debt Service					
Secondary Property Tax	\$ 19,313,994	\$ 20,953,750	\$ 20,741,480	\$ 20,756,360	\$ 22,907,710
Total	<u>\$ 19,313,994</u>	<u>\$ 20,953,750</u>	<u>\$ 20,741,480</u>	<u>\$ 20,756,360</u>	<u>\$ 22,907,710</u>
Street and Highway Debt Service					
State Shared Taxes	\$ 15,241,155	\$ 15,562,900	\$ 15,554,280	\$ 16,035,270	\$ 16,294,550
Total	<u>\$ 15,241,155</u>	<u>\$ 15,562,900</u>	<u>\$ 15,554,280</u>	<u>\$ 16,035,270</u>	<u>\$ 16,294,550</u>
Total Debt Service Funds	<u>\$ 34,555,149</u>	<u>\$ 36,516,650</u>	<u>\$ 36,295,760</u>	<u>\$ 36,791,630</u>	<u>\$ 39,202,260</u>

HIGHLIGHTS

General Obligation Debt Service

General obligation debt service is primarily funded from the secondary property tax, which decreased \$197,390 for Fiscal Year 2003 due to refinancing of existing debt. New bonds will not be sold in Fiscal Year 2003; however, bond sales in Fiscal Year 2004 will require an increase of \$2,151,350.

Street and Highway Debt Service

Street and highway debt service is financed entirely from the state-shared gasoline taxes and highway user fees and charges. The debt service increased \$472,370 for Fiscal Year 2003, and is projected to increase \$259,280 in Fiscal Year 2004.

CAPITAL PROJECTS FUNDS

Funds for capital projects are created to account for the purchase or construction of major capital facilities which are not financed by General, Special Revenue, or Enterprise Funds.

FINANCIAL SUMMARY	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
General Obligation Bond Funds	\$ 10,872,203	\$ 51,357,600	\$ 34,405,140	\$ 54,349,400	\$ 35,749,000
Proceeds					
Street and Highway Revenue Bond	16,498,428	11,396,000	12,689,950	13,424,800	5,717,000
Funds Proceeds					
Water Revenue Bond Funds	33,055,061	41,659,800	41,659,800	44,265,000	31,992,000
Proceeds					
Total Capital Projects Funds	\$ 60,425,692	\$ 104,413,400	\$ 88,754,890	\$ 112,039,200	\$ 73,458,000

HIGHLIGHTS

General Obligation Bonds

General obligation bonds are used to finance capital projects other than street and water projects. Fiscal Year 2003 increased \$2,991,800 based on project implementation. All required bonds have been sold. Requirements for Fiscal Year 2004 will decrease \$18,600,400 as major bond funded projects are completed.

Street and Highway Revenue Bonds

Street and highway revenue bonds are used to finance Transportation street and right of way capital projects. Fiscal Year 2003 increased \$2,028,800 while Fiscal Year 2004 is projected to decrease \$7,707,800 based on project implementation.

Water Revenue Bonds

Water revenue bonds used to finance water capital projects increased \$2,605,200 in Fiscal Year 2003 and are projected to decrease \$12,273,000 for Fiscal Year 2004 primarily due to completion of the Clearwater Renewable Resources Facility.

REVENUE DESCRIPTIONS

PRIMARY PROPERTY TAX

The city imposes a primary property tax on real and personal property located within the city limits. Revenues from the primary property tax can be used to pay any expense legally chargeable to the General Fund.

The Arizona State Constitution limits the amount of ad valorem taxes levied by the city to an amount not to exceed two percent greater than the maximum permissible levy in the preceding year. This levy limitation permits additional taxes to be levied on new or annexed property. New or annexed property may be taxed at the allowable rate computed for property taxed in the preceding year. Property annexed by November 1 will be taxable in the following year.

The estimated primary property tax for Fiscal Year 2003 is \$4,612,960 or \$1,682,060 more than last year's adopted levy of \$2,930,900. The tax rate increased to \$0.2089, offsetting a \$0.0686 reduction in the secondary tax rate. The total combined property tax rate remains at the same level as Fiscal Year 2002. Fiscal Year 2003 revenues are also impacted by a 5.7% increase in assessed valuation. Fiscal Year 2004 is projected to decrease \$748,700 due to a reduction in the tax rate to offset the increase in the secondary rate.

The city is required, under the Truth in Taxation law, to notify taxpayers of its intention to increase primary property taxes over the previous year's levy, unless the amount increased is solely attributable to new construction and annexations. The Truth in Taxation public hearing for the Fiscal Year 2003 budget was held on June 24, 2002. The following table shows the primary assessed valuations, levies, and rates since Fiscal Year 1999.

PRIMARY PROPERTY TAX (\$000s)

<u>Fiscal Year</u>	<u>Primary Assessed Valuation</u>	<u>Percent Change</u>	<u>Primary Tax Levy*</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>	<u>Rate per \$100 Assessed Valuation</u>
1999	\$ 1,809,220	4.7%	\$ 2,584	\$118	4.8%	\$ 0.1428
2000	1,886,840	4.3%	2,596	12	0.5%	0.1428
2001	1,999,070	5.9%	2,810	214	8.2%	0.1406
2002	2,088,308	4.5%	2,931	121	4.3%	0.1403
2003 (Estimate)	2,208,213	5.7%	4,613	1,682	57.4%	0.2089
2004 (Estimate)	2,327,457	5.4%	3,864	(749)	(16.2%)	0.1660

Maximum Allowable Tax Levy:

1999	\$ 6,805
2000	7,117
2001	7,436
2002	7,775
2003 (Estimate)	8,146
2004 (Estimate)	8,534

*Primary property tax levy set by Mayor and Council.

SECONDARY PROPERTY TAX

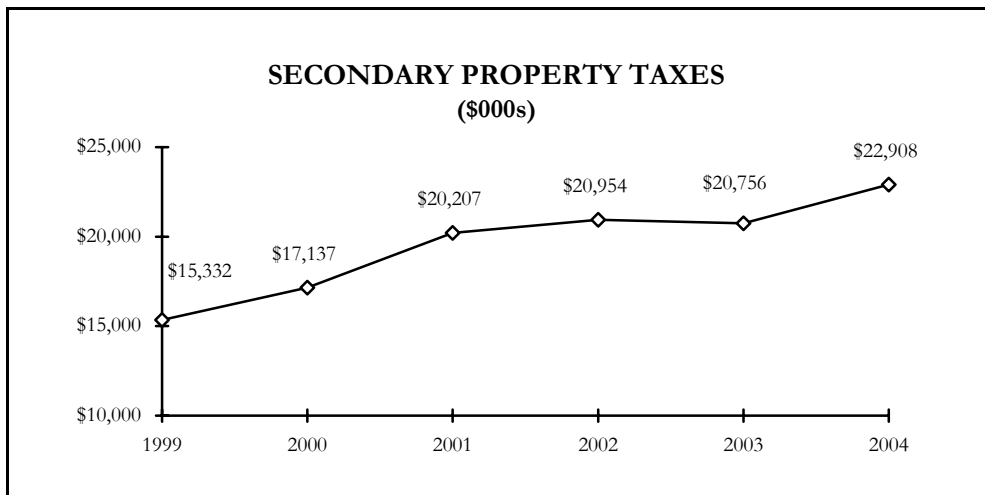
The city imposes a secondary property tax on real property located within the city limits. The secondary property tax is used solely to pay the principal and interest on general obligation bonds approved by the voters.

The secondary assessed valuation is based on the full cash value of real property. Full cash value is synonymous with the market value as determined by standard appraisal methods. There is no limitation on the annual increase to the full cash value as it applies to the computation of the secondary property tax. The Fiscal Year 2003 secondary assessed valuation is estimated to be \$2,277,719,862, a 6.5% increase over last year's valuation.

The city's total estimated debt service requirement on general obligation bonds for Fiscal Year 2003 is \$20,756,360 and \$22,907,710 for Fiscal Year 2004. The secondary property tax rate for Fiscal Year 2003 is estimated at \$0.9113 per \$100 of assessed valuation, a decrease of \$0.0686. The rate for Fiscal Year 2004 is projected to increase \$0.0429 due to increased bond sales. The adopted budget for Fiscal Year 2002 was \$20,953,750. The following table shows secondary assessed valuations, levies, and rates since Fiscal Year 1999.

SECONDARY PROPERTY TAX (\$000s)

<u>Fiscal Year</u>	<u>Secondary Assessed Valuation</u>	<u>Percent Change</u>	<u>Secondary Tax Levy</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>	<u>Rate per \$100 Assessed Valuation</u>
1999	\$ 1,875,875	3.1%	\$ 15,332	\$ (107)	(0.7%)	\$ 0.8173
2000	1,945,160	3.7%	17,137	1,805	11.8%	0.8810
2001	2,048,620	5.3%	20,207	3,070	17.9%	0.9864
2002	2,138,461	4.4%	20,954	747	3.6%	0.9799
2003 (Estimate)	2,277,719	6.5%	20,756	(198)	(0.9%)	0.9113
2004 (Estimate)	2,400,717	5.4%	22,908	2,152	10.4%	0.9542



CITY BUSINESS PRIVILEGE (SALES) TAXES

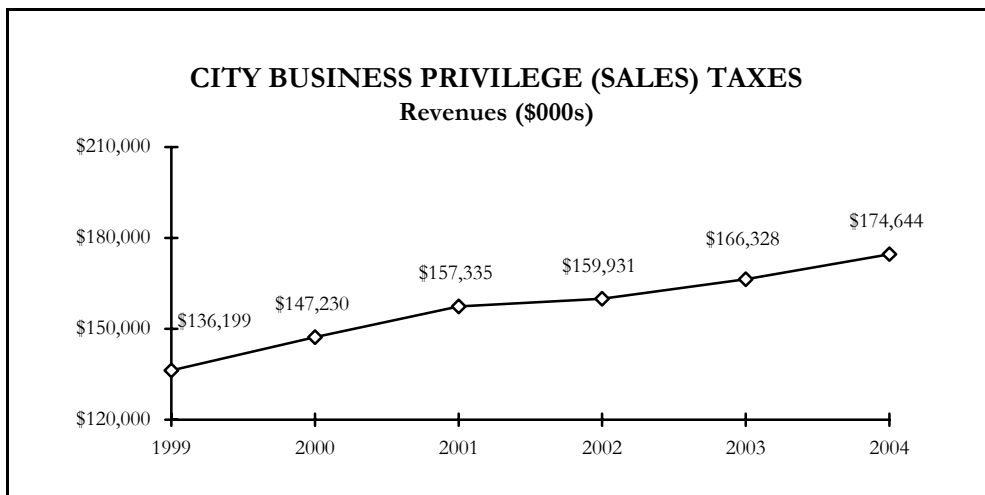
The Tucson City Charter authorizes a 2% tax on taxable business activity transacted within the city. The tax is imposed on 15 separate business activities. The charter exempts food purchased for home consumption, but allows the taxation of food consumed in restaurants or carried out. The charter further provides that as long as the city sales tax is imposed, no ad valorem tax shall be imposed on real or personal property within the city in excess of \$1.75 per \$100 of assessed valuation. The city sales tax can be used to pay any expense legally chargeable to the General Fund. Mayor and Council policy allocates a portion of the city sales tax collected to finance part of mass transit, solid waste management, public library, convention center, and public housing operations.

The city sales tax estimate of \$166,328,100 for Fiscal Year 2003 is an increase of \$6,397,230, a 4% increase over the prior year revised estimate of \$159,930,870. Fiscal Year 2004 is projected to increase an additional 5% or \$8,316,400. The adopted budget for Fiscal Year 2002 was \$164,456,000.

Although the growth in Tucson's economy slowed significantly in Fiscal Year 2002, the rate of growth is expected to increase for Fiscal Years 2003 and 2004. This will affect tax receipts on retail sales, restaurants, and bars which represent approximately 70% of the city sales tax revenues. The following table shows city business privilege tax collections since Fiscal Year 1999.

CITY BUSINESS PRIVILEGE (SALES) TAXES (\$000s)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 136,199	\$ 7,759	6.0%
2000	147,230	11,031	8.1%
2001	157,335	10,105	6.9%
2002 (Estimate)	159,931	2,596	1.6%
2003 (Estimate)	166,328	6,397	4.0%
2004 (Estimate)	174,644	8,316	5.0%



PUBLIC UTILITY TAXES AND UTILITY FRANCHISES

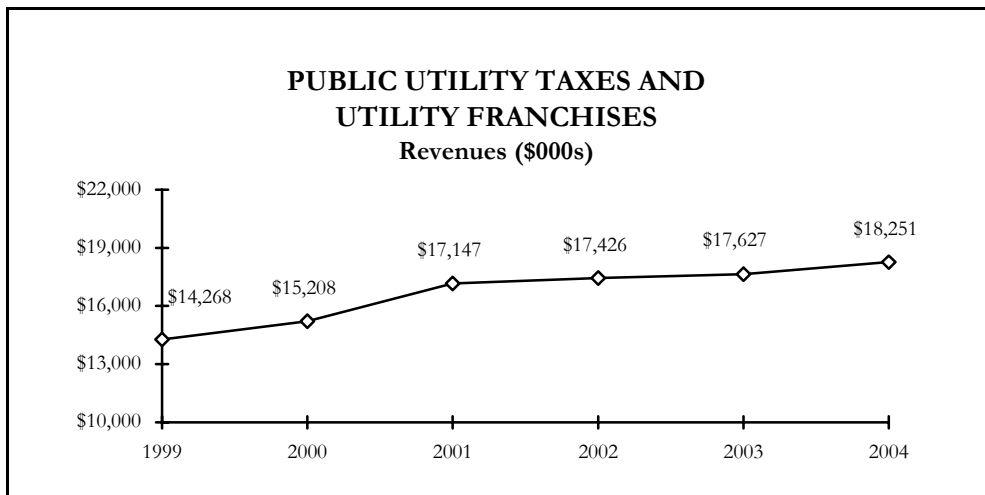
The Tucson City Charter authorizes a tax on the gross sales by public utilities to consumers within the city limits. By ordinance, the tax rate is set at 2% and is imposed in addition to the 2% city sales tax.

Under the terms of voter-approved franchises granted to Tucson Electric Power and Southwest Gas for use of public rights-of-way, the city collects 2.25% on gross sales of electricity and 2.5% on gas consumed within the city. However, franchise payments received from Tucson Electric Power and Southwest Gas are credited as payments reducing the public utility tax due from these two utilities. Monies received from public utility taxes and utility franchises can be used to pay any expense legally chargeable to the General Fund.

Estimated revenues from public utility taxes and utility franchises for Fiscal Year 2003 total \$17,627,910, a 1.2% increase over last year's revised estimate of \$17,426,000. Fiscal Year 2004 revenues are projected to increase \$623,180 or 3.5%. The adopted budget for Fiscal Year 2002 was \$16,130,000. The following table shows the public utility tax and utility franchise collections since Fiscal Year 1999.

PUBLIC UTILITY TAXES AND UTILITY FRANCHISES (\$000s)

<u>Fiscal Year</u>	<u>Public Utility Tax</u>	<u>Utility Franchise Receipts</u>	<u>Combined Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 5,768	\$ 8,500	\$ 14,268	\$ 1,194	9.1%
2000	6,768	8,440	15,208	940	6.6%
2001	6,539	10,608	17,147	1,939	12.7%
2002 (Estimate)	6,540	10,886	17,426	279	1.6%
2003 (Estimate)	7,499	10,128	17,627	201	1.2%
2004 (Estimate)	7,799	10,452	18,251	624	3.5%



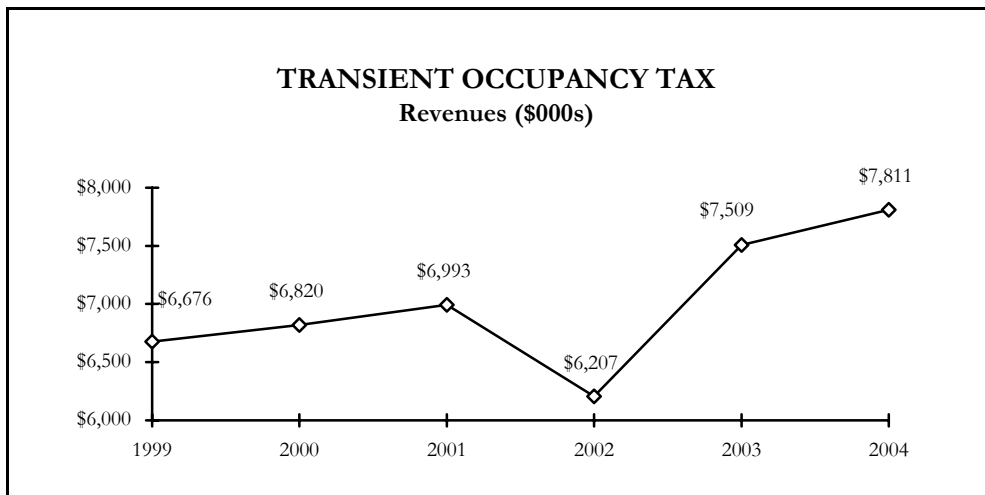
TRANSIENT OCCUPANCY TAXES

The Tucson City Code authorizes a 4% transient occupancy tax on rooms rented for 30 days or less. In Fiscal Year 1989, an additional daily hotel/motel surtax of \$1.00 per room rented was authorized. Transient occupancy taxes can be used to pay any expense legally chargeable to the General Fund.

Estimated transient occupancy taxes for Fiscal Year 2003 total \$7,508,800, a 21% increase over the estimate for the prior year of \$6,207,490. The Fiscal Year 2003 estimate is comprised of \$5,486,000 in revenues from the 4% tax and \$2,022,800 from the \$1.00 surtax. The adopted budget for Fiscal Year 2002 was \$7,220,000. Tucson experienced a significant decline in tourism during Fiscal Year 2002; however, revenues are expected to recover for future years.

TRANSIENT OCCUPANCY TAXES (\$000s)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 6,676	\$ 267	4.2%
2000	6,820	144	2.2%
2001	6,993	173	2.5%
2002 (Estimate)	6,207	(786)	(11.2%)
2003 (Estimate)	7,509	1,302	21.0%
2004 (Estimate)	7,811	302	4.0%



LICENSES AND PERMITS

Revenues from licenses and permits include business licenses, liquor licenses, sign and street work permits, parking meter collections, utility franchises, cable television, refuse hauling permits, and telecommunications licenses and franchises.

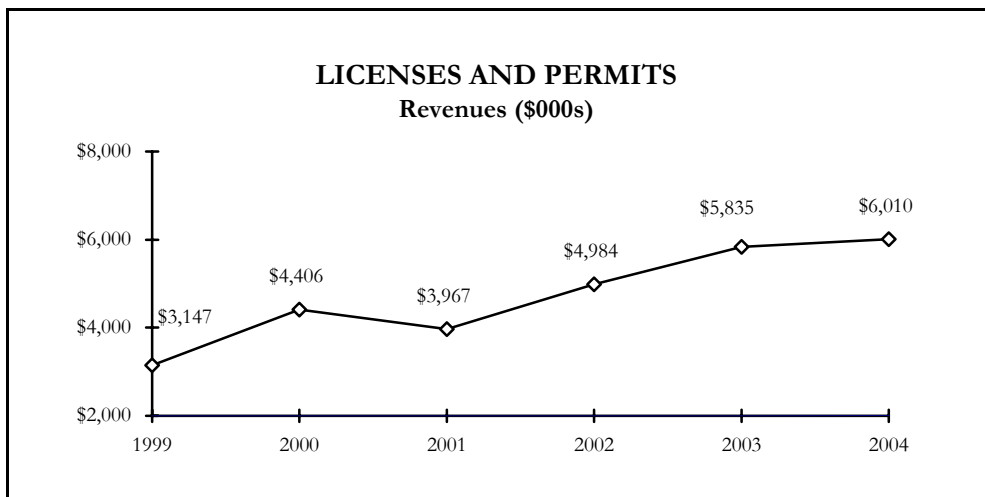
Although utility franchises are accounted for and reported within this revenue category in the city's Comprehensive Annual Financial Report, the discussion on estimated revenues from utility franchises granted to Tucson Electric Power and Southwest Gas is presented in the Public Utility Taxes and Utility Franchises section of the Revenue Descriptions in this document.

Licenses and Permits (Continued)

Revenues from licenses and permits in Fiscal Year 2003, excluding utility franchises, is estimated to total \$5,835,270, which is 17.1% more than the prior year's revised estimate of \$4,984,400. Revenues are projected to increase an additional \$174,770 for Fiscal Year 2004. The adopted budget for Fiscal Year 2002 was \$5,019,000. The following table shows collections since Fiscal Year 1999.

LICENSES AND PERMITS (\$000s)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 3,147	\$ 556	21.5%
2000	4,406	1,259	40.0%
2001	3,967	(439)	(10.0%)
2002 (Estimate)	4,984	1,017	25.6%
2003 (Estimate)	5,835	851	17.1%
2004 (Estimate)	6,010	175	3.0%



FINES, FORFEITURES, AND PENALTIES

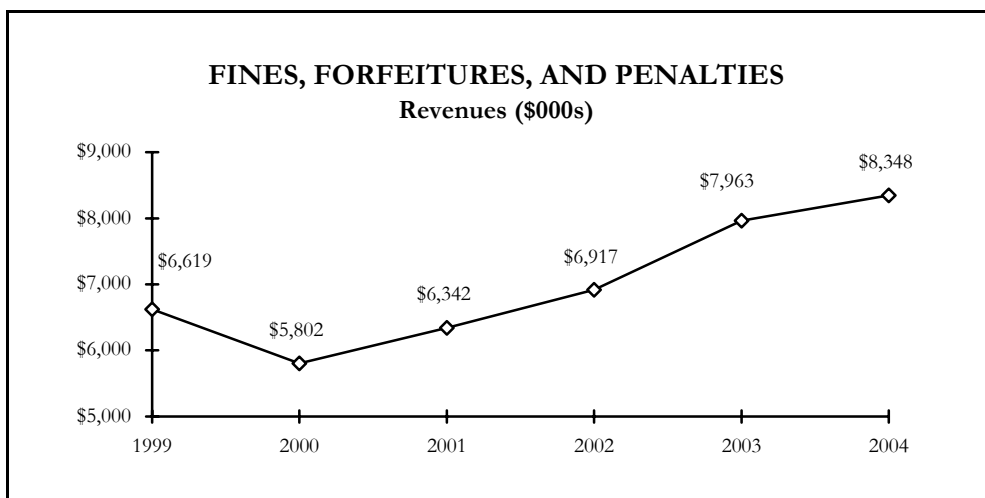
The source of this revenue is derived from fines for violations of state statutes and the Tucson City Code, including driving under the influence, criminal misdemeanors, civil traffic violations, and parking violations. Fine revenues can be used by the city to pay any expense legally chargeable to the General Fund.

The Fiscal Year 2003 estimate of \$7,963,120 is 15.1% more than the \$6,917,150 revised estimate for Fiscal Year 2002. Fiscal Year 2004 revenues are projected to increase \$384,480. The adopted budget for Fiscal Year 2002 was \$6,746,100.

Fines, Forfeitures, and Penalties (Continued)

FINES, FORFEITURES, AND PENALTIES (\$000s)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 6,619	\$ (195)	(2.9%)
2000	5,802	(817)	(12.3%)
2001	6,342	540	9.3%
2002 (Estimate)	6,917	575	9.1%
2003 (Estimate)	7,963	1,046	15.1%
2004 (Estimate)	8,348	385	4.8%



VEHICLE LICENSE (AUTO LIEU) TAX

This tax is imposed by Article IX, Section 11 of the Arizona Constitution as an “in-lieu” tax for all ad valorem property taxes assessed on motor vehicles. The Arizona Constitution requires the vehicle license tax (VLT) be distributed to the state, counties, and cities. Additionally, the Arizona Constitution requires that a portion of the state’s distribution go to fund education. The vehicle license tax is based on each \$100 of a vehicle’s value. The valuation base for the first year is 60% of the manufacturer’s base retail price and the annual depreciation rate for each succeeding year is 16.25%. The statute sets specific rates for each vehicle license to be charged for each distribution recipient. The rate for incorporated cities and towns is sixty-nine cents (\$0.69) for a new vehicle and seventy-one cents (\$0.71) for a vehicle older than one year.

Current law provides that 41.37% of vehicle license taxes collected be retained by the state in the Highway User Revenue Fund (HURF). The statute establishes distributions that include 22.62% to the county treasurer to be distributed to the incorporated cities and towns of the county apportioned in proportion to the population of each as shown in the most recent United States census.

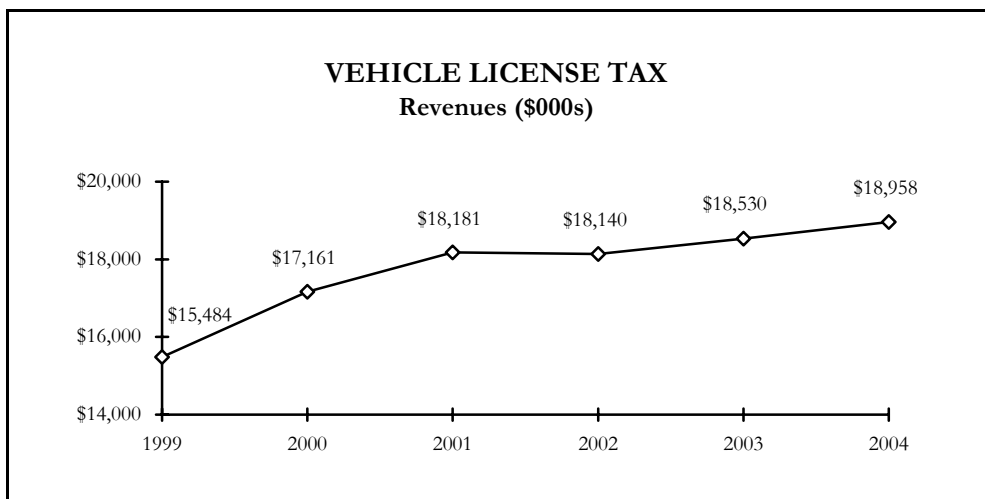
The City of Tucson’s vehicle license tax distributions for Fiscal Year 2003 is estimated to be \$18,530,060, which is an increase of 2.1% from the revised estimate of \$18,140,500 for Fiscal Year 2002. Revenues for Fiscal Year 2004 are projected to increase 2.3% or \$427,580. The adopted budget for Fiscal Year 2002 was \$16,303,000. Vehicle license tax revenues received by the city can be used to pay any expense legally chargeable to the General Fund.

Vehicle License (Auto Lieu) Tax (Continued)

The following table shows total annual distributions to cities and towns within Pima County, the City of Tucson's share since Fiscal Year 1999, and estimates for Fiscal Years 2002, 2003, and 2004.

VEHICLE LICENSE TAX (\$000s)

<u>Fiscal Year</u>	<u>All Incorporated Cities' Share of Pima County Distribution</u>	<u>City of Tucson's Distribution Percent</u>	<u>Amount</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 16,627	93.1%	\$ 15,484	\$ 3,093	25.0%
2000	18,428	93.1%	17,161	1,677	10.8%
2001	19,524	93.1%	18,181	1,020	5.9%
2002 (Estimate)	19,481	93.1%	18,140	(41)	(0.2%)
2003 (Estimate)	19,899	93.1%	18,530	390	2.1%
2004 (Estimate)	20,358	93.1%	18,958	428	2.3%



STATE SALES TAX

The state sales tax is assessed on the taxable income of business activities within the State of Arizona. The state taxes approximately 20 separate business activities using various rates ranging from 3.1% to 5.6%. Shared sales taxes can be used to pay any expense legally chargeable to the General Fund.

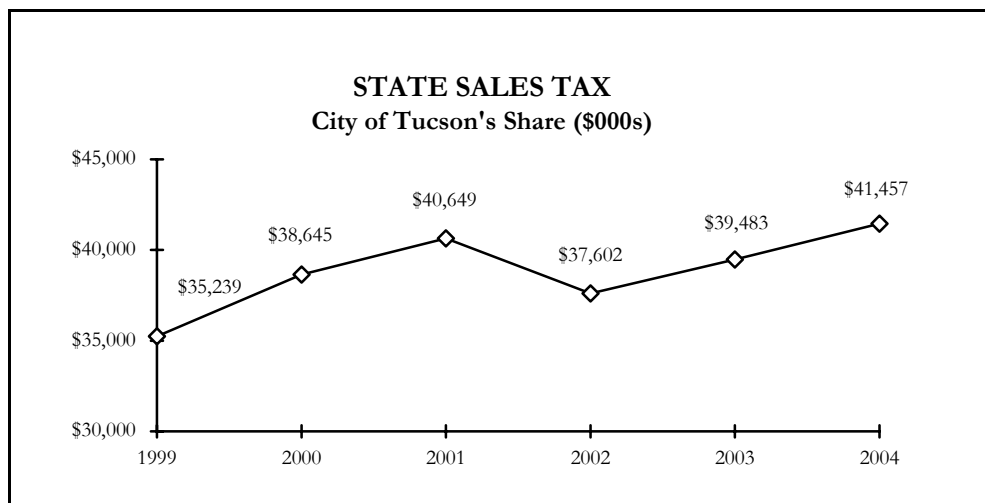
Approximately 78% of the state sales tax is retained by the state's general fund with 14% set aside for distribution to counties, and 8% to incorporated cities and towns. Each city's share is allocated in proportion to its population compared to the total population of the state.

The City of Tucson's share of state sales tax for Fiscal Year 2003 is estimated to be \$39,483,000, a 5% increase from the revised estimate of \$37,602,500 for Fiscal Year 2002. Fiscal Year 2004 revenues are also projected to increase by 5% to \$41,457,200. The adopted budget for Fiscal Year 2002 was \$39,119,000. The following table shows the state sales tax allocations to the City of Tucson since Fiscal Year 1999.

State Sales Tax (Continued)

STATE SALES TAX (\$000s)

<u>Fiscal Year</u>	<u>Total Distribution To Cities</u>	<u>Percent Change</u>	<u>City of Tucson's Share Percent</u>	<u>Amount</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 272,402	5.3%	12.9%	\$ 35,239	\$ 2,348	7.1%
2000	299,387	9.9%	12.9%	38,645	3,406	9.7%
2001	312,676	4.4%	13.0%	40,649	2,004	5.2%
2002 (Estimate)	310,760	(0.6%)	12.1%	37,602	(3,047)	(7.5%)
2003 (Estimate)	326,306	5.0%	12.1%	39,483	1,881	5.0%
2004 (Estimate)	342,620	5.0%	12.1%	41,457	1,974	5.0%



HIGHWAY USER REVENUE FUND (HURF) ALLOCATION

State of Arizona gasoline tax and highway user fees and charges are deposited in the state's Highway User Revenue Fund (HURF). Current statutes provide for distributions from HURF for Fiscal Year 2000, and annually thereafter, of \$10,000,000* to the Arizona Department of Public Safety to fund highway patrol costs and \$1,000,000* to the Arizona Economic Strength Fund. HURF monies remaining after these distributions are then shared with counties and cities. The current distribution formula provides that 50.5% be retained in the state highway fund, 19% be distributed to counties, 27.5% be distributed to all incorporated cities and towns, and a final 3% be distributed to cities with a population greater than 300,000.

The 27.5% share earmarked for distribution to all incorporated cities and towns is often referred to as "regular HURF," and the Arizona Constitution requires that these funds be used solely for highway and street purposes which includes payment of principal and interest on street and highway bonds. These funds are allocated to individual cities and towns using a two-tier distribution formula. One-half of the "regular HURF" is apportioned to each city or town based on the population each bears to the population of all cities and towns in the state. The remaining half is then apportioned to counties based on each county's proportion of motor vehicle fuel sales within the state and is then distributed to each city or town within each county on the basis the population each bears to the population of all cities and towns within the county.

*There is an exemption to this amount for Fiscal Years 2002 and 2003.

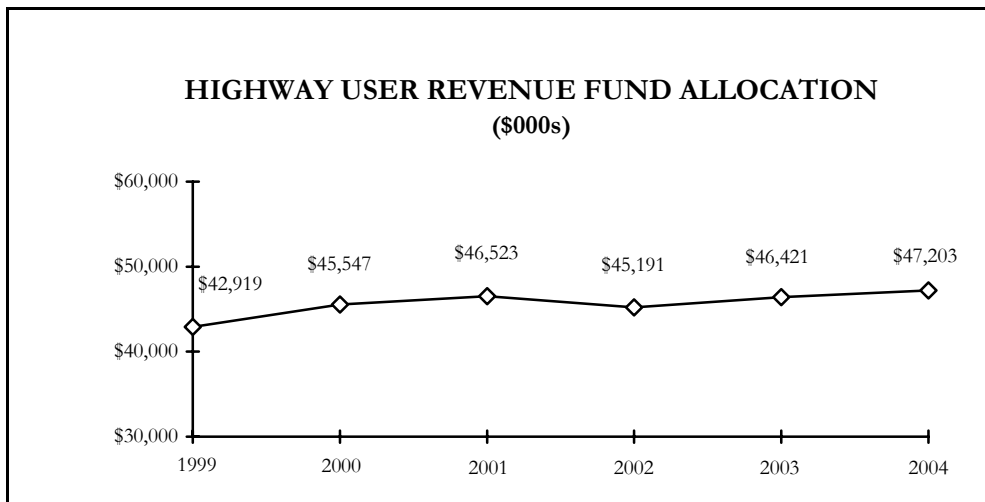
Highway User Revenue Fund (HURF) Allocation (Continued)

The 3% allocation distributable to cities and towns with a population greater than 300,000, sometimes referred to as “restricted HURF,” is also required to be used solely for highway and street purposes. However, these funds are further restricted to the acquisition of right-of-way or construction of streets or highways other than controlled-access highways. Phoenix, Tucson, and Mesa are the only cities currently sharing in this distribution, and the funds are distributed based on the 2000 decennial census.

The city’s share of HURF distributions from the state is estimated to be \$46,420,800 for Fiscal Year 2003, which is a 2.7% increase from the revised estimate of \$45,190,690 for Fiscal Year 2002. Fiscal Year 2004 is projected to increase by 1.7% to \$47,203,130. The adopted budget for Fiscal Year 2002 was \$42,337,180. The following table shows the HURF allocations to the City of Tucson since Fiscal Year 1999.

HIGHWAY USER REVENUE FUND ALLOCATION (\$000s)

<u>Fiscal Year</u>	<u>27.5% Share</u>	<u>3% Share</u>	<u>Total</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 36,314	\$ 6,605	\$ 42,919	\$ 2,430	6.0%
2000	38,614	6,933	45,547	2,628	6.1%
2001	39,503	7,020	46,523	976	2.1%
2002 (Estimate)	38,103	7,088	45,191	(1,332)	(2.9%)
2003 (Estimate)	39,201	7,220	46,421	1,230	2.7%
2004 (Estimate)	39,788	7,415	47,203	782	1.7%



LOCAL TRANSPORTATION ASSISTANCE FUND (LTAF)

In November 1980, an initiative established a state lottery in Arizona. In July 1981, the state legislature established the Local Transportation Assistance Fund (LTAF) consisting of monies deposited initially from the state lottery fund to be distributed to Arizona cities and towns. Current law provides that the Arizona Legislature must appropriate whatever amount is necessary to ensure that a minimum of \$20,500,000 annually is deposited in the LTAF. Revenues from the state lottery have historically exceeded the minimum, and the state has not been required to subsidize the fund. Current law places an annual ceiling of \$23,000,000 on funds deposited from the state lottery fund into the LTAF for distribution to cities and towns. The maximum is expected to be available for distribution to cities and towns for Fiscal Years 2003 and 2004, and the city is expected to receive \$2,707,000. The adopted budget for Fiscal Year 2002 was \$2,706,800.

Tucson, having a population of more than 300,000, is required to use these LTAF monies for public transportation operating expenses and related capital purposes. Statutes provide that cities may adopt resolutions authorizing the use of up to 10% annually of the LTAF monies for cultural, educational, historical, recreational, or scientific facilities or programs, or for certain non-residential outpatient local programs or services. However, the monies used in this manner must be matched equally with non-public monies spent for the same purposes.

In recent years, the LTAF has also been used as the depository for Arizona's share of revenues from the multi-state lottery (Powerball). The statutes place a ceiling of \$18,000,000 on multi-state lottery proceeds available for distribution to the cities and towns. State lottery ticket sales started declining after the introduction of Powerball; to compensate for the loss of state general fund revenues from the state lottery, the state appropriated monies received from the multi-state lottery to the state's general fund. Statutory annual minimum appropriations to the state's general fund were enacted by the Arizona Legislature before receipts from multi-state lottery sales were available for distribution to cities and towns.

The following table shows the LTAF distribution to the City of Tucson since Fiscal Year 1999.

LOCAL TRANSPORTATION ASSISTANCE FUND (\$000s)

<u>Fiscal Year</u>	<u>Tucson's Share</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 3,028	\$ (35)	(1.1%)
2000	2,511	(517)	(17.1%)
2001	2,811	300	11.9%
2002 (Estimate)	2,707	(104)	(3.7%)
2003 (Estimate)	2,707	-0-	0.0%
2004 (Estimate)	2,707	-0-	0.0%

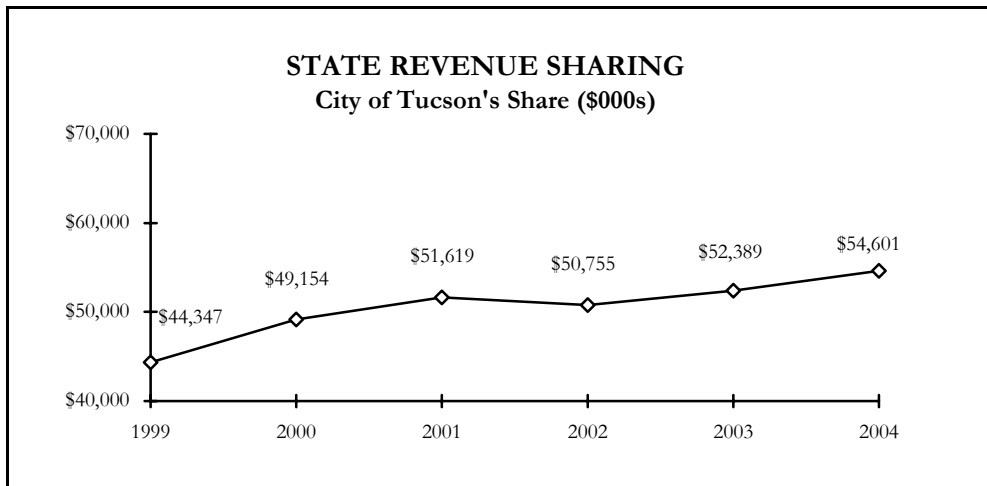
STATE REVENUE SHARING

Incorporated cities and towns are prohibited from imposing local income taxes, but they do receive a share of net individual and corporate income taxes collected by the state which can be used to pay any expense legally chargeable to the General Fund. Distributions are actually made to cities and towns two fiscal years following the fiscal year in which the state collects the income taxes. The portion (of net income taxes collected two years earlier) currently distributable to incorporated cities and towns was set by statute at 15%.

The city's portion of State Revenue Sharing distributions is estimated to be \$52,388,880 for Fiscal Year 2003, which is a 3.2% increase from the revised estimate of \$50,755,000 for Fiscal Year 2002. Fiscal Year 2004 is projected to increase an additional 4.2%. The adopted budget for Fiscal Year 2002 was \$51,047,000. The following table shows the state income tax distributions to the City of Tucson since Fiscal Year 1999.

STATE REVENUE SHARING (\$000s)

<u>Fiscal Year</u>	<u>Total Distribution To Cities</u>	<u>Percent Change</u>	<u>Tucson's Share Percent</u>	<u>Amount</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
1999	\$ 340,311	16.8%	13.0%	\$ 44,347	\$ 6,443	17.0%
2000	377,711	11.0%	13.0%	49,154	4,807	10.8%
2001	396,453	5.0%	13.0%	51,619	2,465	5.0%
2002 (Estimate)	419,463	5.8%	12.1%	50,755	(864)	(1.7%)
2003 (Estimate)	432,967	3.2%	12.1%	52,389	1,634	3.2%
2004 (Estimate)	451,248	4.2%	12.1%	54,601	2,212	4.2%



IMPACT OF CAPITAL PROJECTS ON THE OPERATING BUDGET

The completion of many capital improvements is the beginning of annual operating expenses for staffing, repairs, maintenance, and other routine operations. The cost of future operating and maintenance (O&M) for new capital projects are estimated by departments based on their budgetary experience with existing projects.

The Fiscal Year 2003 Adopted Budget includes a total of \$13.5 million in O&M costs for projects either completed in Fiscal Year 2002 or scheduled for completion during Fiscal Year 2003. Debt service payments on bonds and other financing mechanisms account for \$4.1 million of the increase. The remaining increase (\$9.4 million) is directly related to operating new facilities.

In Fiscal Year 2004, the O&M impact of capital projects will grow to \$24.3 million. A large contributor to the increase (\$10.8 million) will be debt service payments. Facility operating expenses will increase to \$13.5 million, including 50 new positions by Fiscal Year 2004, as more voter-approved bond projects are completed.

The following table summarizes the additions to operating expenses in Fiscal Years 2003 and 2004 due to completion of capital projects. For project specific detail, see Volume III, Approved Five-Year Capital Improvement Program. Volume III also includes the O&M impact of all capital projects programmed over the next five years.

OPERATING COST IMPACTS FOR FISCAL YEARS 2003 AND 2004 (Cumulative)

Service Area/Department/Project	Type of Expense	FY 2003	FY 2004
Neighborhood Services			
Fire			
New Fire Stations	Staffing (21 FTEs) and building/equipment maintenance	\$ 991,200	\$ 1,718,700
Library			
New branch libraries	Staffing (15 FTEs) and building/equipment maintenance	-0-	699,200
Parks and Recreation			
Various parks projects	Building/equipment maintenance	61,000	233,000
Environment and Development			
Transportation			
Various street projects	Water and landscape maintenance	-0-	24,000
Various street lighting projects	Electricity	-0-	43,800
Various traffic signal projects	Electricity savings due to conversion to Light Emitting Diode (LED) signal lights	-0-	(92,700)
Various public transit projects	Building/equipment maintenance	-0-	19,000

Operating Cost Impacts For Fiscal Years 2003 and 2004 (Continued)

Service Area/Department/Project	Type of Expense	FY 2003	FY 2004
Tucson Water Clearwater Renewable Resource Facility	Electricity, Central Arizona Project commodity charges, and supplies	\$ 7,404,000	\$ 9,583,000
Environmental Management Various landfill remediations and investigations	Equipment maintenance	930,000	970,000
Non-Departmental General Expense Midtown Multipurpose Facility	Building maintenance	-0-	252,000
Sub-Total Before Debt Service		9,386,200	13,450,000
Debt Service Certificates of Participation	Principal and interest payments	2,375,000	3,893,700
General Obligation Bonds	Principal and interest payments	-0-	2,179,600
Street and Highway Revenue Bonds	Principal and interest payments	-0-	610,300
Water Revenue Bonds	Principal and interest payments	1,744,000	4,128,000
Debt Service Sub-Total		4,119,000	10,811,600
TOTAL		\$ 13,505,200	\$ 24,261,600

CITY OF TUCSON
SUMMARY OF EMPLOYEE BENEFITS*

	Actual FY 2001	Adopted FY 2002	Estimated FY 2002	Adopted FY 2003	Approved FY 2004
<u>Retirement Systems</u>					
Tucson Supplemental	\$ 10,019,943	\$ 10,815,640	\$ 10,748,380	\$ 13,193,970	\$ 15,434,880
Public Safety	1,907,431	2,646,190	3,178,380	4,066,460	4,293,510
Elected Officers	66,842	47,260	47,260	48,210	48,210
Sub-Total	11,994,216	13,509,090	13,974,020	17,308,640	19,776,600
<u>Insurance</u>					
Employee Benefits					
Group Plan	21,572,740	25,276,720	24,737,660	27,894,320	29,318,200
FICA (Social Security)	12,293,195	12,733,510	12,796,430	13,508,000	14,117,740
Industrial (Workers' Compensation)	4,510,273	4,680,260	4,627,500	3,593,210	3,800,400
Hazardous Waste	458,774	475,540	475,900	482,150	488,850
State Unemployment	(690)	165,910	155,810	149,270	150,740
Public Liability	6,149,526	5,214,840	5,303,306	6,071,740	6,187,400
Retiree Medical and Life	1,306,810	1,795,480	1,795,480	2,048,000	2,143,200
Sub-Total	46,290,628	50,342,260	49,892,086	53,746,690	56,206,530
Total	\$ 58,284,844	\$ 63,851,350	\$ 63,866,106	\$ 71,055,330	\$ 75,983,130
<u>Source of Funds</u>					
General Fund	\$ 43,727,856	\$ 48,121,560	\$ 48,203,820	\$ 53,945,690	\$ 52,966,030
Highway User Revenue Fund	4,184,840	4,338,600	4,183,660	5,097,800	5,368,520
Federal Funds	2,090,314	2,650,440	2,586,570	2,903,380	7,765,950
Golf Course Fund	753,135	751,720	751,720	726,580	745,630
Water Utility Fund	7,528,699	7,989,030	8,140,330	8,381,880	9,137,000
Total	\$ 58,284,844	\$ 63,851,350	\$ 63,866,100	\$ 71,055,330	\$ 75,983,130

* Employee benefits include fringe benefits for permanent and non-permanent positions, hazardous waste insurance, and public liability insurance.

TEN-YEAR ADOPTED COMPARISON TOTAL CITY STAFFING												
DEPARTMENTS	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003 Adopted	2004 Approved
Elected and Official												
Mayor	5.50	7.00	7.00	7.00	7.50	8.00	8.00	8.00	9.50	9.50	9.50	9.50
Council	28.50	29.00	29.00	29.00	32.50	35.50	35.50	36.50	43.50	43.50	43.50	43.50
City Manager ^(a)	20.50	15.50 ⁽¹⁾	19.80 ⁽⁵⁾	19.20	23.00	22.00	21.00	22.00	23.75	24.25 ⁽²⁴⁾	22.25	22.25
City Clerk	40.50	40.50	39.50 ⁽⁵⁾	40.50	40.50	73.00 ⁽⁹⁾	44.50	69.50 ⁽⁹⁾	43.00	63.50 ⁽⁹⁾	41.00	61.50 ⁽⁹⁾
City Attorney	102.50	98.00	100.00	107.00	108.00	108.00	108.00	112.00	113.00	114.00	112.00	112.00
Sub-Total	197.50	190.00	195.30	202.70	211.50	246.50	217.00	248.00	232.75	254.75	228.25	248.75
Neighborhood Services												
City Court	117.80	127.80 ⁽¹⁾	133.80	138.80	138.80	141.30	145.30	141.80	143.80	143.80	138.30	138.30
Community Services	148.60	153.20	158.90	158.25	159.25	169.00	167.00	160.00	157.00	155.00	157.00	155.00
Fire	470.00	459.50	459.50	516.50	519.50	569.00 ⁽¹⁰⁾	528.00	539.00	570.00	571.00	572.00	593.00 ⁽³³⁾
Library	239.25	238.75	241.75	243.75	253.00	253.00	265.50	265.50	299.50	287.25 ⁽²⁵⁾	287.75	302.75 ⁽³⁴⁾
Neighborhood Resources	5.00	5.00	5.00	5.00	5.00	7.00	7.00	11.00	11.00	11.00	21.00 ^{(29), (30)}	21.00
Parks and Recreation	453.00	508.75 ⁽²⁾	580.00 ⁽⁶⁾	577.00	596.00	631.50	685.75 ⁽¹²⁾	720.25 ^{(14), (15)}	718.75 ⁽²⁰⁾	677.50 ⁽²⁶⁾	665.00	665.00
Tucson City Golf	103.00	102.00	104.00	103.00	103.00	103.00	103.50	96.50	163.25 ⁽²¹⁾	169.00	153.75	153.75
Police	1,029.00	1,043.00 ⁽³⁾	1,048.00	1,102.00	1,146.00 ⁽⁸⁾	1,154.00 ⁽¹¹⁾	1,191.50 ⁽¹³⁾	1,266.50 ⁽¹⁶⁾	1,355.00 ⁽²²⁾	1,362.00 ^{(27), (28)}	1,356.00	1,354.50
Independent Police Auditor	-0-	-0-	-0-	-0-	-0-	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Defender	31.50	32.50	32.50	33.00	31.00	31.00	31.00	32.50	32.50	33.50	33.50	33.50
Sub-Total	2,597.15	2,670.50	2,763.45	2,877.30	2,951.55	3,060.80	3,126.55	3,235.05	3,452.80	3,412.05	3,386.30	3,418.80
Environmental and Development												
Development Services	64.00	62.50	64.00 ⁽⁵⁾	64.00	64.00	66.00	66.00	72.00	100.00 ⁽²⁰⁾	101.00	111.00 ^{(30), (31), (32)}	111.00
Comprehensive Planning Task Force	46.50	46.50	46.50	45.50	46.50	46.50	48.50	49.50	45.50 ⁽²⁰⁾	47.50 ⁽²⁴⁾	29.50 ⁽³²⁾	29.50
Solid Waste Management	-0-	-0-	224.00 ⁽⁷⁾	223.00	225.00	225.00	235.00	240.00	243.00	244.00	236.00	236.00
Transportation	212.00	220.50	366.50 ⁽⁷⁾	376.50	378.50	384.00	386.50	401.50 ^{(15), (17)}	395.50 ⁽²⁰⁾	399.50	399.50	399.50
Tucson Water	579.00	577.00	577.00	584.00	588.00	589.00	588.00	588.00	588.00	590.00	590.00	590.00
Environmental Management	4.00	8.00	10.00	9.00	9.00	10.75	11.75	13.60	15.85	15.00	15.00	15.00
Historic Preservation Office	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1.00	2.00	2.00	2.00	2.00
Zoning Examiner	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sub-Total	907.50	916.50	1,290.00	1,304.00	1,313.00	1,323.25	1,338.75	1,367.60	1,391.85	1,401.00	1,385.00	1,385.00
Strategic Initiatives												
Tucson Convention Center	53.00	55.00	55.00	58.00	58.00	62.00	61.00	61.00	63.50	63.00	60.00	60.00
Economic Development	9.33	12.00	16.00	18.00	18.10	22.10	23.75	14.00 ⁽¹⁸⁾	15.50	15.50	17.50	17.50
Intergovernmental Relations	2.00	2.25	2.25	2.75	2.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tucson - Mexico Trade Office	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5.00 ⁽¹⁸⁾	5.00	5.00	6.00	6.00
Sub-Total	64.33	69.25	73.25	78.75	78.85	86.10	86.75	82.00	86.00	85.50	85.50	85.50

TEN-YEAR ADOPTED COMPARISON TOTAL CITY STAFFING												
DEPARTMENTS	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003 Adopted	2004 Approved
Support Services												
Budget and Research	28.00	28.00	28.00	28.00	27.00	26.00	26.00	26.00	26.00	24.00 ⁽²⁴⁾	24.00	24.00
Finance	134.00	130.00 ⁽⁴⁾	134.00	133.00	139.00	138.00	143.00	146.00	150.25	151.25	145.00	145.00
Human Resources	24.00	28.00 ⁽⁴⁾	29.00 ⁽⁵⁾	29.00	28.00	32.00 ⁽¹¹⁾	32.00	32.00	34.00	31.00 ^{(24), (27)}	29.00	29.00
Information Technology ^(a)	74.00	77.50	78.00	79.50	82.42	82.42	92.12	94.12	88.12	91.12	84.66 ⁽³¹⁾	84.66
Operations	685.00	685.00	332.00 ⁽⁷⁾	335.00	337.00	341.00	350.00	365.00 ⁽¹⁹⁾	377.00	377.00	370.00	369.00
Procurement	73.00	72.00	72.00	72.00	75.00	75.00	76.00	77.00	81.00	82.00	77.00	77.00
Equal Opportunity Office	4.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00	10.00	10.50	9.00	9.00
Sub-Total	1,022.00	1,028.50	681.00	685.50	697.42	703.42	728.12	749.12	766.37	766.87	738.66	737.66
Non-Departmental												
General Expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3.00 ⁽²³⁾	5.50 ⁽²⁴⁾	5.75	5.75
Sub-Total	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3.00	5.50	5.75	5.75
Total	4,788.48	4,874.75	5,003.00	5,148.25	5,252.32	5,420.07	5,497.17	5,681.77	5,932.77	5,925.67	5,829.46	5,881.46

TEN-YEAR ADOPTED COMPARISON TOTAL CITY STAFFING WITH FISCAL YEARS 2003 AND 2004

- (a) In Fiscal Year 2002, the offices of the City Manager were reflected in various service teams based on the functions of each office. In Fiscal Year 2003, additional changes were made to the location of the Grants Office, which moved back into City Manager, and Community Relations, which became part of Information Technology. For comparative purposes, staff are shown for all years in the new locations.
- (1) In Fiscal Year 1994, the Hearing Office was transferred from City Manager to City Court (8 positions).
- (2) In Fiscal Year 1994, the conversion of fee class instructors in the Parks and Recreation Department to employee status by agreement with the Internal Revenue Service resulted in a net increase of 25 positions. Five positions were deleted from Hi-Corbett Field operations concessions organization due to the Colorado Rockies assuming responsibility for spring training operations.
- (3) In Fiscal Year 1994, the Tucson Police Department added 10 commissioned officers for the gang unit.
- (4) In Fiscal Year 1994, Employee Benefits was transferred from the Finance Department to the Human Resources Department (3 positions).
- (5) In Fiscal Year 1995, 3 positions were transferred from City Manager to Development Services and 1 position from the City Manager to Human Resources. Additionally, 2 positions were transferred from Human Resources and 1 position from City Clerk to City Manager.
- (6) In Fiscal Year 1995, the Parks and Recreation Department added 38.25 recreation positions for youth-related programs and 33 positions for the new El Pueblo pool and increased hours at other pools.
- (7) In Fiscal Year 1994, at the direction of Mayor and Council, the Department of Solid Waste Management was created with 220 positions. These positions were transferred from the Department of Operations. In addition, the Streets Division was transferred to the Transportation Department from the Department of Operations with 139 positions.
- (8) In Fiscal Year 1997, the Tucson Police Department added 24 community service officers for the new Community Service Officer Program.
- (9) Beginning in Fiscal Year 1998, non-permanent positions for city elections are added every other year to the City Clerk's Office as follows: 29.5 in Fiscal Year 1998, 25 in Fiscal Year 2000, and 20.5 in Fiscal Years 2002 and 2004.
- (10) In Fiscal Year 1998, the Fire Department added 49.5 positions: 34 positions for annexations, 7 positions for a new paramedic unit, and 8.5 positions for a second vehicle maintenance shift and for the public safety academy.
- (11) In Fiscal Year 1998, 3 positions were transferred from the Tucson Police Department to the Human Resources Department.
- (12) In Fiscal Year 1999, the Parks and Recreation Department added 54.25 positions: 32.50 positions for the Clements Center and Pool, 3.50 positions for the Quincie Douglas Center, 14.50 maintenance workers for other new or expanded facilities and parks, and 3.75 positions for expanded programs.
- (13) In Fiscal Year 1999, at the direction of the City Manager, 31 positions were added to the Tucson Police Department to support community policing.
- (14) In Fiscal Year 2000, the Parks and Recreation Department added 27 positions for new grants.
- (15) In Fiscal Year 2000, the Parks and Recreation Department transferred 9 Highway User Revenue Fund (HURF) funded positions to the Transportation Department for median island maintenance, and Transportation transferred 1 position to Parks and Recreation for sports field lighting maintenance.
- (16) In Fiscal Year 2000, the Tucson Police Department added 50 positions for the Universal Cops Hiring Grant.

TEN-YEAR ADOPTED COMPARISON TOTAL CITY STAFFING WITH FISCAL YEARS 2003 AND 2004

- (17) In Fiscal Year 2000, Van Tran's Americans with Disabilities Act Compliance organization was transferred to the new Transit Division, with the existing 4 positions being converted to city employees.
- (18) In Fiscal Year 2000, 4 positions were transferred from Economic Development to the Tucson-México Project and 1 position was added.
- (19) In Fiscal Year 2000, the Department of Operations added 5 positions for maintenance of new facilities and 3 positions for maintenance of the growing vehicle fleet.
- (20) In Fiscal Year 2001, 17 positions were transferred to Development Services for the consolidation of Plans Review: 2 from the Parks and Recreation Department, 6 from the Comprehensive Planning Task Force, and 9 from the Transportation Department.
- (21) In Fiscal Year 2001, Tucson City Golf added 66.75 positions for the Mayor and Council approved Tucson City Golf Business Plan.
- (22) In Fiscal Year 2001, the Tucson Police Department added 56 positions for the Universal Cops Hiring Grant.
- (23) In Fiscal Year 2001, 3 grant-funded positions were added to the General Expense budget for water conservation projects at the A-7 Ranch.
- (24) In Fiscal Year 2002, 3.5 positions were transferred from the City Manager's Office: 2.5 to the Non-Departmental budget to support Rio Nuevo and 1 project manager to the Comprehensive Planning Department. Additionally, 2 positions were transferred from Budget and Research and 1 from the Human Resources Department to the City Manager's Office.
- (25) In Fiscal Year 2002, the Library eliminated 12.25 positions: 10.75 due to the elimination of Sunday library services at Woods, Mission, Miller-Golf Links, and Green Valley branches, 1.5 due to revised implementation of programs.
- (26) In Fiscal Year 2002, the Parks and Recreation Department eliminated 49.25 positions: 11 due to the completion of grants, 9 from the privatization of zoo concessions, and 29.25 from reductions in HICO/MIDCO, KIDCO, fee classes and summer aquatics programs. The department also added 8 positions: 4 for grounds maintenance, 2 for capital project management, and 2 for a new KIDCO site.
- (27) In Fiscal Year 2002, 2 positions were transferred from the Human Resources Department to the Tucson Police Department.
- (28) In Fiscal Year 2002, the Tucson Police Department added 2 grant-funded positions.
- (29) During Fiscal Year 2002 Neighborhood Resources, which was previously Citizen and Neighborhood Services, was established as a department. This reorganization resulted in a net reduction of one position including the transfer of a project manager position (reclassified to an administrator position) from the Comprehensive Planning Task Force.
- (30) The code enforcement and slum abatement and blight enforcement response staff were transferred in to Neighborhood Resources from Development Service Department.
- (31) In Fiscal Year 2002, 3 positions in Information Technology were transferred to Development Services.
- (32) As part of a citywide reorganization, Zoning Administration was formed in Development Services from staff transferred in from the Comprehensive Planning Task Force.
- (33) In Fiscal Year 2004, 1 engine company (14 positions) and 1 paramedic company (7 positions) are added to staff a new fire station.
- (34) In Fiscal Year 2004, 15 positions are added to the Library Department to accommodate the opening of two new libraries.

**FULL-TIME EQUIVALENT POSITIONS
PERMANENT AND NON-PERMANENT
FISCAL YEARS 2003 AND 2004**

	Adopted 2003			Approved 2004		
	Permanent	Non-Permanent	Total	Permanent	Non-Permanent	Total
ELECTED AND OFFICIAL						
Mayor and Council	53.00	-0-	53.00	53.00	-0-	53.00
City Manager	22.25	-0-	22.25	22.25	-0-	22.25
City Clerk	38.50	2.50	41.00	38.50	23.00	61.50
City Attorney	112.00	-0-	112.00	112.00	-0-	112.00
Sub-Total	225.75	2.50	228.25	225.75	23.00	248.75
NEIGHBORHOOD SERVICES						
City Court	138.30	-0-	138.30	138.30	-0-	138.30
Community Services	157.00	-0-	157.00	155.00	-0-	155.00
Fire	572.00	-0-	572.00	593.00	-0-	593.00
Library	235.50	52.25	287.75	247.50	55.25	302.75
Neighborhood Resources	21.00	-0-	21.00	21.00	-0-	21.00
Parks and Recreation	400.50	264.50	665.00	400.50	264.50	665.00
Tucson City Golf	43.00	110.75	153.75	43.00	110.75	153.75
Police	1,350.00	6.00	1,356.00	1,348.50	6.00	1,354.50
Independent Police Auditor	2.00	-0-	2.00	2.00	-0-	2.00
Public Defender	33.50	-0-	33.50	33.50	-0-	33.50
Sub-Total	2,952.80	433.50	3,386.30	2,982.30	436.50	3,418.80
ENVIRONMENTAL AND DEVELOPMENT						
Development Services	110.00	1.00	111.00	110.00	1.00	111.00
Comprehensive Planning Task Force	29.50	-0-	29.50	29.50	-0-	29.50
Solid Waste Management	236.00	-0-	236.00	236.00	-0-	236.00
Transportation	398.00	1.50	399.50	398.00	1.50	399.50
Tucson Water	590.00	-0-	590.00	590.00	-0-	590.00
Environmental Management	15.00	-0-	15.00	15.00	-0-	15.00
Historic Preservation Office	2.00	-0-	2.00	2.00	-0-	2.00
Zoning Examiner	2.00	-0-	2.00	2.00	-0-	2.00
Sub-Total	1,382.50	2.50	1,385.00	1,382.50	2.50	1,385.00

**FULL-TIME EQUIVALENT POSITIONS
PERMANENT AND NON-PERMANENT
FISCAL YEARS 2003 AND 2004**

	Adopted 2003			Approved 2004		
	Permanent	Non-Permanent	Total	Permanent	Non-Permanent	Total
STRATEGIC INITIATIVES						
Tucson Convention Center	46.00	14.00	60.00	46.00	14.00	60.00
Economic Development	14.00	3.50	17.50	14.00	3.50	17.50
Intergovernmental Relations	2.00	-0-	2.00	2.00	-0-	2.00
Tucson-Mexico Trade Office	6.00	-0-	6.00	6.00	-0-	6.00
Sub-Total	68.00	17.50	85.50	68.00	17.50	85.50
SUPPORT SERVICES						
Budget and Research	24.00	-0-	24.00	24.00	-0-	24.00
Finance	144.00	1.00	145.00	144.00	1.00	145.00
Human Resources	29.00	-0-	29.00	29.00	-0-	29.00
Information Technology	82.50	2.16	84.66	82.50	2.16	84.66
Operations	368.00	2.00	370.00	367.00	2.00	369.00
Procurement	77.00	-0-	77.00	77.00	-0-	77.00
Equal Opportunity Office	9.00	-0-	9.00	9.00	-0-	9.00
Sub-Total	733.50	5.16	738.66	732.50	5.16	737.66
NON-DEPARTMENTAL						
General Expense	5.75	-0-	5.75	5.75	-0-	5.75
Sub-Total	5.75	-0-	5.75	5.75	-0-	5.75
Total	5,368.30	461.16	5,829.46	5,396.80	484.66	5,881.46

**FULL-TIME EQUIVALENT POSITIONS
GENERAL RECURRING FUNDS AND OTHER FUNDS
FISCAL YEARS 2003 AND 2004**

	Adopted 2003			Approved 2004		
	General Purpose	Other	Total	General Purpose	Other	Total
ELECTED AND OFFICIAL						
Mayor and Council	53.00	-0-	53.00	53.00	-0-	53.00
City Manager	22.25	-0-	22.25	22.25	-0-	22.25
City Clerk	41.00	-0-	41.00	61.50	-0-	61.50
City Attorney	101.00	11.00	112.00	101.00	11.00	112.00
Sub-Total	217.25	11.00	228.25	237.75	11.00	248.75
NEIGHBORHOOD SERVICES						
City Court	136.80	1.50	138.30	136.80	1.50	138.30
Community Services	9.79	147.21	157.00	10.15	144.85	155.00
Fire	570.00	2.00	572.00	591.00	2.00	593.00
Library	143.88	143.87	287.75	151.38	151.37	302.75
Neighborhood Resources	18.00	3.00	21.00	18.00	3.00	21.00
Parks and Recreation	623.75	41.25	665.00	623.75	41.25	665.00
Tucson City Golf	-0-	153.75	153.75	-0-	153.75	153.75
Police	1,319.50	36.50	1,356.00	1,319.50	35.00	1,354.50
Independent Police Auditor	2.00	-0-	2.00	2.00	-0-	2.00
Public Defender	33.50	-0-	33.50	33.50	-0-	33.50
Sub-Total	2,857.22	529.08	3,386.30	2,886.08	532.72	3,418.80
ENVIRONMENTAL AND DEVELOPMENT						
Development Services	111.00	-0-	111.00	111.00	-0-	111.00
Comprehensive Planning Task Force	29.50	-0-	29.50	29.50	-0-	29.50
Solid Waste Management	236.00	-0-	236.00	236.00	-0-	236.00
Transportation	86.00	313.50	399.50	86.00	313.50	399.50
Tucson Water	-0-	590.00	590.00	-0-	590.00	590.00
Environmental Management	15.00	-0-	15.00	15.00	-0-	15.00
Historic Preservation Office	2.00	-0-	2.00	2.00	-0-	2.00
Zoning Examiner	2.00	-0-	2.00	2.00	-0-	2.00
Sub-Total	481.50	903.50	1,385.00	481.50	903.50	1,385.00

**FULL-TIME EQUIVALENT POSITIONS
GENERAL RECURRING FUNDS AND OTHER FUNDS
FISCAL YEARS 2003 AND 2004**

	Adopted 2003			Approved 2004		
	General Purpose	Other	Total	General Purpose	Other	Total
STRATEGIC INITIATIVES						
Tucson Convention Center	60.00	-0-	60.00	60.00	-0-	60.00
Economic Development	14.00	3.50	17.50	14.00	3.50	17.50
Intergovernmental Relations	2.00	-0-	2.00	2.00	-0-	2.00
Tucson-Mexico Trade Office	6.00	-0-	6.00	6.00	-0-	6.00
Sub-Total	82.00	3.50	85.50	82.00	3.50	85.50
SUPPORT SERVICES						
Budget and Research	24.00	-0-	24.00	24.00	-0-	24.00
Finance	131.00	14.00	145.00	131.00	14.00	145.00
Human Resources	29.00	-0-	29.00	29.00	-0-	29.00
Information Technology	84.66	-0-	84.66	84.66	-0-	84.66
Operations	263.00	107.00	370.00	263.00	106.00	369.00
Procurement	77.00	-0-	77.00	77.00	-0-	77.00
Equal Opportunity Office	9.00	-0-	9.00	9.00	-0-	9.00
Sub-Total	617.66	121.00	738.66	617.66	120.00	737.66
NON-DEPARTMENTAL						
General Expense	-0-	5.75	5.75	-0-	5.75	5.75
Sub-Total	-0-	5.75	5.75	-0-	5.75	5.75
Total	4,255.63	1,573.83	5,829.46	4,304.99	1,576.47	5,881.46

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

Exempt

	Minimum	Midpoint	Maximum
822	91,677	122,847	154,018
821	81,182	108,784	136,387
820	72,228	96,786	121,344
819	64,566	86,518	108,471
818	57,991	77,708	97,425
817	52,335	70,129	87,923
816	47,459	63,594	79,730
815	43,244	57,946	72,649
814	39,594	53,056	66,518
813	36,429	48,816	61,202
812	33,682	45,134	56,586
811	31,294	41,935	52,575
810	29,220	39,155	49,090

**Police
(Exempt)**

	Minimum	Midpoint	Maximum
323	117,450	135,257	153,065
322	77,937	94,939	111,941
321	70,649	84,259	97,868
320	70,194	76,932	83,671

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

**Fire
(Exempt)**

	Minimum	Midpoint	Maximum
423	117,450	135,257	153,065
422	78,418	95,525	112,632
421	71,085	84,778	98,472
420	71,719	77,953	84,186

**Legal
(Exempt)**

	Minimum	Midpoint	Maximum
619	79,548	105,401	131,254
618	71,023	94,106	117,189
617	63,555	84,210	104,865
616	56,998	75,523	94,048
615	51,234	67,885	84,536
614	46,156	61,157	76,158
613	41,675	55,220	68,764
612	37,715	49,972	62,229
611	34,208	45,325	56,443
610	31,098	41,205	51,311

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

**Information Technology
(Exempt)**

	Minimum	Midpoint	Maximum
719	77,559	102,765	127,971
718	68,485	90,743	113,000
717	60,473	80,127	99,782
716	53,399	70,754	88,108
715	47,678	63,174	78,670
714	43,051	57,042	71,034
713	39,316	52,094	64,871
712	36,320	48,124	59,928

**Classifications with Exceptional Pay Computations
(Exempt)**

	Minimum	Midpoint	Maximum
515	43,244	57,947	72,649
514	39,594	53,056	66,518
505	26,133	33,386	40,638
503	22,559	28,820	35,081
502	21,182	27,060	32,938
501	20,031	25,589	31,147

Range 501 and 502 receive 50% earnings from golf lesson revenue.

Range 503 and 505 receive \$300 in-kind pay per year.

Range 514 receive 100% earnings form golf lesson revenue up to \$12,000 per year.

Range 515 receive 100% earnings form golf lesson revenue up to \$5,000 per year.

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

Non-Exempt Schedule

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14
910	19,076	20,031	21,032	22,084	23,188	24,347	24,956	25,579	26,218	26,874	27,546	28,235	28,941	29,664
911	20,031	21,032	22,084	23,188	24,347	25,564	26,202	26,857	27,528	28,217	28,922	29,646	30,387	31,147
912	21,182	22,240	23,353	24,520	25,746	27,033	27,710	28,403	29,112	29,840	30,586	31,351	32,135	32,938
913	22,559	23,687	24,872	26,115	27,421	28,792	29,512	30,250	31,006	31,781	32,575	33,389	34,225	35,081
914	24,196	25,406	26,677	28,010	29,410	30,881	31,653	32,444	33,255	34,087	34,939	35,812	36,708	37,626
915	26,133	27,440	28,812	30,253	31,766	33,353	34,188	35,042	35,918	36,816	37,736	38,680	39,647	40,638
916	28,421	29,842	31,334	32,901	34,547	36,274	37,180	38,110	39,063	40,040	41,040	42,066	43,118	44,196
917	31,123	32,679	34,313	36,029	37,831	39,722	40,715	41,733	42,776	43,845	44,941	46,065	47,217	48,397
918	34,315	36,031	37,832	39,724	41,710	43,795	44,890	46,012	47,163	48,342	49,550	50,789	52,059	53,361
919	38,091	39,997	41,996	44,096	46,300	48,616	49,830	51,077	52,354	53,663	55,003	56,379	57,788	59,234
920	42,569	44,698	46,933	49,279	51,743	54,330	55,689	57,081	58,508	59,971	61,470	63,007	64,582	66,196

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

**Police
(Non-Exempt)**

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
351	31,993	33,592	35,272	37,036	38,887	40,832	42,874	45,018
302	37,225	39,086	41,040	43,092	45,248	47,510	49,885	52,380
303	39,086	41,040	43,092	45,248	47,510	49,885	52,380	54,998
304	41,040	43,092	45,248	47,510	49,885	52,380	54,998	57,748
305	43,092	45,248	47,510	49,885	52,380	54,998	57,748	60,635
306					54,998	57,748	60,635	63,667
307					57,748	60,635	63,667	66,851

**Fire
(Non-Exempt)**

Range No.	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
401	34,788	36,512	38,368	40,283	42,299	43,365	44,416	45,527	46,623	47,807
402	36,513	38,368	40,282	42,299	44,416	45,527	46,623	47,807	48,961	50,174
403	36,875	38,599	40,456	42,370	44,385	45,453	46,504	47,614	48,710	49,894
404						47,807	48,961	50,174	51,402	52,687
405						49,894	51,048	52,261	53,489	54,774
406						55,332	56,690	58,093	59,509	60,985
407						57,419	58,778	60,180	61,597	63,072
408						61,971	63,493	65,064	66,651	68,304

**Fiscal Year 2003
City of Tucson
Classified Annual Salary Scale**

**Hourly (Seasonal or Intermittent) Schedule
(Non-Exempt)**

Code	Class Title	Hourly Rate		
1001	City Youth Worker	\$ 5.88		
0201	Election Technician	10.14	-	\$13.93
0202	Senior Election Technician	11.14	-	15.30
0203	Election Specialist	16.25	-	22.33
1403	General Maintenance Worker/Trainee	8.35	-	9.66
1507	Convention Center Stage Technician	12.67		
1508	Convention Center Stagehand Supervisor	15.43		
2256	Camera Operator	11.42	-	17.14
3005	Concession Worker	5.74	-	7.09
3021	Short Order Cook	7.73	-	10.00
3201	Golf Host	9.89		
3302	Lifeguard	8.12		
3303	Water Safety Instructor/Senior Lifeguard	8.57		
3304	Seasonal Swimming Pool Supervisor	9.23		
3306	Seasonal Aquatics Program Supervisor	10.56		
3311	Seasonal Recreation Worker	7.03		
3313	Seasonal Senior Recreation Worker	7.84		
3316	Seasonal Class Instructor	7.47	-	17.27
3323	Seasonal Program Coordinator	9.92		
3401	Seasonal Center Attendant	6.23		
7012	Library Program Instructor	13.28	-	17.80

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
ELECTED AND OFFICIAL MAYOR AND COUNCIL			
1010 Mayor	General Fund		\$ 515,780
1021 Council-Ward 1	General Fund		333,960
1022 Council-Ward 2	General Fund		353,080
1023 Council-Ward 3	General Fund		349,910
1024 Council-Ward 4	General Fund		342,300
1025 Council-Ward 5	General Fund		343,380
1026 Council-Ward 6	General Fund		337,780
1020 Administrative Expenses	General Fund		155,770
DEPARTMENT TOTAL			\$ 2,731,960
CITY MANAGER			
1040 City Manager	General Fund		\$ 1,401,770
Agenda			
1033 Agenda	General Fund		202,030
Annexation			
1045 Annexation	General Fund		151,590
Organizational Development			
1046 Organizational Development	General Fund		439,420
DEPARTMENT TOTAL			\$ 2,194,810
CITY CLERK			
Administration			
1510 Administration	General Fund		\$ 198,600
Recording and Reporting			
1511 Recording and Reporting	General Fund		712,000
Elections			
1520 Elections	General Fund		586,720
1522 Intermittent Support	General Fund		125,000
1542 Special Elections	General Fund		300,000
Records Center			
1530 Records Center	General Fund		759,660
DEPARTMENT TOTAL			\$ 2,681,980
CITY ATTORNEY			
Administration			
1310 Administration	General Fund		\$ 246,430
Civil			
1311 Civil	General Fund		1,633,330
1324 Internal Litigation	General Fund		-0-
Criminal			
1313 Criminal	General Fund		4,217,070
1314 Drug Enforcement	Miscellaneous Federal Grants		357,950
1315 Drug Forfeiture Expenses	General Fund		207,810
1318 Victim Assistance Grant	Miscellaneous Non-Federal Grants		128,340

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
CITY ATTORNEY (Continued)			
Consumer Affairs			
1312 Consumer Affairs	General Fund	\$ 482,550	
	Miscellaneous Non-Federal Grants	26,670	
Consumer Affairs Sub-Total			\$ 509,220
DEPARTMENT TOTAL			\$ 7,300,150
NEIGHBORHOOD SERVICES			
CITY COURT			
Judicial			
1410 Judicial	General Fund		\$ 1,995,490
1413 Pre-Trial Services	General Fund		286,000
1416 Drug Grant	Miscellaneous Non-Federal Grants		74,180
1417 Judicial - Special Magistrates	General Fund		90,740
Administration			
1411 Administration	General Fund	\$ 1,438,270	
	Miscellaneous Non-Federal Grants	87,820	
Administration Sub-Total			1,526,090
1412 Probation/Sentence Enforcement	General Fund		732,960
1415 Domestic Violence Probation Unit	General Fund		395,210
1420 Judicial Services	General Fund		1,160,000
1426 Case Management	General Fund		980,880
1427 Court Services	General Fund		775,310
1428 Public Services	General Fund		1,099,880
1414 Judicial Collection Enhancement Fund	General Fund		175,000
1421 Defensive Driving School	General Fund		480,000
1425 Grant Capacity	Miscellaneous Non-Federal Grants		200,000
DEPARTMENT TOTAL			\$ 9,971,740
COMMUNITY SERVICES			
Department Administration			
9100 Director's Office	General Fund	\$ 148,550	
	Community Development Block Grant	216,300	
	Comprehensive Housing Grant	21,480	
	HOME Program	5,510	
	Housing Opportunities for People Everywhere (HOPE) VI	83,620	

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)				
	Director's Office (Continued)	Miscellaneous Federal Housing Grants	\$ 5,000	
		Public Housing - Section 8 Fund	41,950	
		Public Housing Conventional/Development Fund	21,550	
	Director's Office Sub-Total			\$ 543,960
9101	Administrative Services	Community Development Block Grant	478,880	
		Comprehensive Housing Grant	11,540	
		HOME Program	15,690	
		HOPE VI	12,380	
		Miscellaneous Federal Housing Grants	5,000	
		Public Housing - Section 8 Fund	95,340	
		Public Housing Conventional/Development Fund	54,070	
	Administrative Services Sub-Total			672,900
Housing Management				
9110	Housing Management Administration	General Fund	27,170	
		General Fund Earned Revenue	42,250	
		Comprehensive Housing Grant	3,040	
		HOPE VI	5,050	
		Public Housing Conventional/Development Fund	484,240	
	Housing Management Administration Sub-Total			561,750
9112	Site Management	General Fund	1,820	
		General Fund Earned Revenue	6,600	
		Comprehensive Housing Grant	36,540	
		Public Housing Conventional/Development Fund	3,164,650	
	Site Management Sub-Total			3,209,610

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)				
9113	Housing Maintenance	General Fund	\$ 207,430	
		General Fund Earned Revenue	62,500	
		Public Housing Conventional/Development Fund	2,200,680	
		Comprehensive Housing Grant	100,000	
	Housing Maintenance Sub-Total			\$ 2,570,610
9114	Tenant Support Services	Community Development Block Grant	10,000	
		Comprehensive Housing Grant	41,200	
		HOPE VI	26,170	
		Miscellaneous Federal Housing Grants	1,080,790	
		Public Housing - Section 8 Fund	186,360	
		Public Housing Conventional/Development Fund	29,770	
		Federal Grants	788,170	
	Tenant Support Services Sub-Total			2,162,460
9116	Comprehensive Grant	Comprehensive Housing Grant		3,049,290
9118	HOPE VI Grant	General Fund	90	
		HOPE VI	170,000	
	HOPE VI Grant Sub-Total			170,090
9119	South Park HOPE VI Grant	General Fund	20,470	
		General Fund Earned Revenue	1,671,000	
		HOPE VI	1,857,640	
	South Park HOPE VI Grant Sub-Total			3,549,110
Technical Services				
9120	Technical Services Administration	General Fund	45,700	
		Community Development Block Grant	19,870	
		Comprehensive Housing Grant	7,840	
		HOME Program	178,350	
		Miscellaneous Federal Housing Grants	10	
	Technical Services Administration Sub-Total			251,770

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)				
9122	Program Support	General Fund	\$ 85,730	
		Community Development Block Grant	44,060	
		Comprehensive Housing Grant	470	
		Miscellaneous Federal Housing Grants	1,610	
		HOME Program	151,630	
	Program Support Sub-Total			
9123	Housing Development	General Fund	282,270	\$ 283,500
		General Fund Earned Revenue	637,400	
		Community Development Block Grant	510	
		Miscellaneous Non-Federal Grants	500,000	
		HOME Program	6,230,030	
	Housing Development Sub-Total			
9125	Agency Contracts	General Fund	2,757,950	7,650,210
		Community Development Block Grant	8,127,960	
		Miscellaneous Federal Housing Grants	347,620	
		Miscellaneous Federal Grants	701,690	
	Agency Contracts Sub-Total			
9126	Planning/Environmental	General Fund	195,420	11,935,220
		Community Development Block Grant	111,190	
		HOME Program	55,840	
		Miscellaneous Federal Housing Grants	1,126,500	
	Planning/Environmental Sub-Total			
9128	Construction Services	General Fund	43,360	1,488,950
		Comprehensive Housing Grant	174,700	
		HOME Program	177,430	
		HOPE VI	95,000	
	Construction Services Sub-Total			
				490,490

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)				
Housing Assistance				
9130	Housing Assistance Administration	Miscellaneous Federal Housing Grants	\$ 7,190	
		Public Housing - Section 8 Fund	293,410	
		Public Housing Conventional/Development Fund	20,560	
	Housing Assistance Administration Sub-Total			\$ 321,160
9131	Information Management	Public Housing - Section 8 Fund	162,470	
		Public Housing Conventional/Development fund	11,870	
	Information Management Sub-Total			174,340
9132	Inspections	Miscellaneous Federal Housing Grants	11,240	
		Public Housing - Section 8 Fund	500,380	
	Inspections Sub-Total			511,620
9133	Contracts/Leases	Miscellaneous Federal Housing Grants	23,450	
		Public Housing - Section 8 Fund	838,480	
		Public Housing Conventional/Development Fund	2,770	
	Contracts/Leases Sub-Total			864,700
9134	Applications	Public Housing - Section 8 Fund	98,230	
		Public Housing Conventional/Development Fund	48,630	
	Applications Sub-Total			146,860
9135	Housing Assistance Projects	Miscellaneous Federal Housing Grants	2,386,760	
		Public Housing - Section 8 Fund	21,611,600	
	Housing Assistance Projects Sub-Total			23,998,360

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
COMMUNITY SERVICES (Continued)				
Community Conservation and Development				
9140	Community Conservation and Development Administration	Community Development Block Grant		\$ 181,400
9141	Citywide Projects	General Fund	\$ 103,670	
		Community Development Block Grant	1,699,390	
		HOME Program	434,950	
		Miscellaneous Federal Grants	161,540	
	Citywide Projects Sub-Total			2,399,550
9142	City Neighborhoods and Initiatives	General Fund	31,710	
		Community Development Block Grant	387,800	
		HOME Program	175,910	
	City Neighborhoods and Initiatives Sub-Total			595,420
	Operating Sub-Total			67,783,330
Capital Improvement Program				
9300	Community Services Capital Improvement Program	Comprehensive Housing Grant	70,000	
		HOPE VI	3,101,000	
	Capital Sub-Total			3,171,000
DEPARTMENT TOTAL				\$ 70,954,330
FIRE				
Headquarters				
3011	Headquarters	General Fund		\$ 731,130
3023	Advanced Life Support Cost Recovery	General Fund		849,080
Operations				
3021	Suppression	General Fund		25,953,110
3022	Emergency Medical Services	General Fund		10,556,800
3065	Sole Provider Compliance Contract	General Fund		40,000
3080	Metropolitan Medical Response System	Miscellaneous Federal Grants		300,000
Code Administration				
3031	Prevention	General Fund		2,490,950
3050	Hazardous Materials Disposal	Risk Management Fund		-0-
3055	Underground Storage	General Fund		43,040
3057	Head and Spinal Injury Prevention	Miscellaneous Non-Federal Grants		350,000

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
FIRE (Continued)				
Support Services				
3025	Management Information Services	General Fund		\$ 354,600
3041	Support Services	General Fund		2,470,920
3042	Vehicle Maintenance	General Fund		1,249,050
3046	Fire Cause Investigations	General Fund		401,850
Training				
3043	Training	General Fund	\$ 32,430	
		Public Safety Academy Fund	1,635,460	
	Training Sub-Total			1,667,890
3044	Regional Training	Public Safety Academy Fund		145,000
3045	Aircraft Rescue and Firefighting Facility	Public Safety Academy Fund		165,890
	Operating Sub-Total			47,769,310
Capital Improvement Program				
3091	Fire Capital Improvement Program	General Fund - Certificates of Participation	1,590,000	
		2000 General Obligation Bonds	6,315,100	
	Capital Sub-Total			7,905,100
DEPARTMENT TOTAL				\$ 55,674,410
LIBRARY				
Administration				
5026	Administration	Library Fund		\$ 1,199,700
Technology Management				
5031	Technology Operations	Library Fund		1,047,960
5032	Circulation Services	Library Fund		261,190
Public Services				
5027	Grants	Miscellaneous Non-Federal Grants		500,000
5028	Youth Outreach Services	Library Fund		285,640
5029	Literacy Program	Library Fund		35,530
5036	Pima County Juvenile Court Center	Library Fund		93,010
5045	New County Programs	Library Fund		500,000
5060	Main Library	Library Fund		3,040,980
5061	Columbus Library	Library Fund		521,870
5062	Woods Library	Library Fund		838,840
5063	Himmel Library	Library Fund		518,910
5064	Nanini Library	Library Fund		862,970
5065	Marana Library	Library Fund		112,370
5066	Catalina Library	Library Fund		153,220
5067	River Center Library	Library Fund		427,110
5068	Wilmot Library	Library Fund		1,269,730

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
LIBRARY (Continued)				
5069	Bear Canyon Library	Library Fund		\$ 444,110
5070	Ajo Library	Library Fund		158,170
5071	Valencia Library	Library Fund		702,600
5072	Mission Library	Library Fund		590,130
5073	Green Valley Library	Library Fund		483,620
5074	El Rio Library	Library Fund		122,110
5075	El Pueblo Library	Library Fund		240,770
5076	Arivaca Library	Library Fund		104,670
5077	Jail Library	Library Fund		238,790
5078	South Tucson Library	Library Fund		210,280
5079	Mobile Units - Readrunners	Library Fund		268,870
5080	Summer Reading Program	Library Fund		35,000
5081	Golf Links Library	Library Fund		544,280
5083	Santa Rosa Library	Library Fund		266,860
5084	Oro Valley Library	Library Fund		42,820
Collection Services				
5033	Collection Operations	Library Fund		4,231,920
Operating Sub-Total				20,354,030
Capital Improvement Program				
5020	Library Capital Improvement Program	Miscellaneous Non-Federal Grants	\$ 150,000	
		2000 General Obligation Bonds	1,500,000	
Capital Sub-Total				1,650,000
DEPARTMENT TOTAL				\$ 22,004,030
NEIGHBORHOOD RESOURCES				
1650	Neighborhood Resources	General Fund		\$ 1,231,710
1651	Graffiti Abatement	General Fund	\$ 127,600	
		Highway User Revenue Fund - Section 14	92,400	
Graffiti Abatement Sub-Total				220,000
1652	Code Enforcement	General Fund		553,060
1653	Slum Abatement and Blight Enforcement Response	Community Development Block Grant		370,000
Operating Sub-Total				2,374,770
Capital Improvement Program				
1075	Neighborhood Resources Capital Improvement Program	General Fund	2,625,000	
		Highway User Revenue Fund - Section 14	1,700,000	
		Community Development Block Grant	1,275,000	
Capital Sub-Total				5,600,000
TOTAL				\$ 7,974,770

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
PARKS AND RECREATION				
Administration				
6300	Director's Office	General Fund		\$ 1,172,460
6301	Planning and Development	General Fund		67,200
6303	Management Services	General Fund		949,740
6304	Public Information Office	General Fund		291,500
Central District				
6310	Central Administration	General Fund		976,890
6312	Tennis Programming	General Fund		139,710
6314	Therapeutics	General Fund		484,050
6315	General Sports Programming	General Fund		993,660
6316	Performing Arts	General Fund		340,700
6317	Leisure Classes	General Fund		1,560,240
6318	Fairs	General Fund		33,760
6323	Hi Corbett Field Maintenance	General Fund		564,630
6324	Reid Park	General Fund		965,740
6326	Shops/Trades	General Fund		839,320
6327	General Maintenance	General Fund		1,082,880
6328	Spring Training	General Fund		133,820
6329	USA Baseball	General Fund		3,450
Southwest District				
6330	Southwest Administration	General Fund		1,048,890
6332	Southwest KIDCO	General Fund		542,090
6333	Ormsby Recreation Center	General Fund		165,880
6334	Quincie Neighborhood Center	General Fund		429,360
6335	Cherry Avenue Recreation Center	General Fund		217,220
6336	El Pueblo Center	General Fund		972,100
6337	Archer Neighborhood Center	General Fund		558,940
6343	Southwest Parks Maintenance	General Fund		3,504,150
6344	Rodeo Grounds	General Fund		85,470
6325	Civic Events	General Fund		551,440
Northwest District				
6350	Northwest Administration	General Fund		735,370
6352	Northwest KIDCO	General Fund		277,250
6353	Santa Rosa Recreation Center	General Fund		212,630
6354	Oury Recreation Center	General Fund		200,820
6355	Armory Center	General Fund		484,690
6356	Pascua Neighborhood Center	General Fund		280,320
6357	Northwest Neighborhood Center	General Fund		567,840
6358	El Rio Neighborhood Center	General Fund		591,030
6359	Center of Downtown	General Fund		96,430
6360	Performing Arts Center	General Fund		2,140
6361	Marty Birdman Center	General Fund		158,970
6363	Northwest Parks Maintenance	General Fund		2,930,450
6313	Aquatics	General Fund		3,344,770

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
PARKS AND RECREATION (Continued)				
East District				
6370	East Administration	General Fund		\$ 830,230
6371	MIDCO	General Fund		233,480
6372	East KIDCO	General Fund		571,900
6373	Udall Recreation Center	General Fund		832,940
6374	Clements Center	General Fund		647,760
6375	Randolph Center	General Fund		613,250
6383	East Parks Maintenance	General Fund		3,729,660
Zoo				
6390	Zoo Administration	General Fund		1,953,110
6391	Animal Purchases	General Fund		23,520
6392	Zoo Giftshop	General Fund		490
6393	Snack Bar	General Fund		21,510
Parks and Recreation Grants				
6200	Capacity for Non-Federal Grants	Miscellaneous Non-Federal Grants		313,900
6201	Capacity for Federal Grants	Miscellaneous Federal Grants		394,610
6202	Parks Foundation Grant	General Fund		188,090
6203	Project People Power	General Fund		81,280
6207	Department of Economic Security Therapeutics	Miscellaneous Non-Federal Grants		61,530
6216	Project Milagro	General Fund		72,360
6217	Adventure Wilderness Training	General Fund		48,590
6235	Pima Council on Aging - Congregate Meals	Miscellaneous Federal Grants		234,250
6236	Pima Council on Aging - Home Delivery	Miscellaneous Federal Grants		35,380
Operating Sub-Total				39,445,840
Capital Improvement Program				
6080	Parks Development	1994 General Obligation Bonds Interest	\$ 97,200	
		2000 General Obligation Bonds	16,579,000	
		Capital Agreements Fund	1,000,000	
		Miscellaneous Non-Federal Grant	700,000	
		Pima County Bonds	6,648,500	
Parks Development Sub-Total				25,024,700
6082	Zoo Improvements	2000 General Obligation Bonds		1,336,400
Capital Sub-Total				26,361,100
DEPARTMENT TOTAL				\$ 65,806,940

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
TUCSON CITY GOLF			
Administration			
6106 Golf Administration	Golf Fund		\$ 1,296,350
6117 Tournaments	Golf Fund		49,240
6118 Amateur Tournaments	Golf Fund		1,500
6188 State Sales Tax	Golf Fund		164,260
Golf Course Maintenance			
6116 Randolph Golf Course	Golf Fund		2,242,030
6126 Trini Alvarez Golf Course	Golf Fund		1,070,710
6136 Enke Golf Course	Golf Fund		998,020
6146 Silverbell Golf Course	Golf Fund		907,090
Golf Course Clubhouses			
6151 Randolph Clubhouse	Golf Fund		548,450
6152 Trini Alvarez Clubhouse	Golf Fund		262,220
6153 Silverbell Clubhouse	Golf Fund		247,810
6154 Enke Clubhouse	Golf Fund		234,960
Pro Shops			
6110 Randolph Pro Shop	Golf Fund		753,370
6120 Trini Alvarez Pro Shop	Golf Fund		358,300
6130 Silverbell Pro Shop	Golf Fund		378,270
6140 Enke Pro Shop	Golf Fund		388,940
Operating Sub-Total			9,901,520
Capital Improvement Program			
6190 Golf Capital Improvement Program	Golf Fund	\$ 353,900	
	Golf Fund - Certificates of Participation	456,800	
Capital Sub-Total			810,700
DEPARTMENT TOTAL			\$ 10,712,220
POLICE			
Chief's Office Administration			
2005 Chief's Office	General Fund		\$ 2,798,000
2006 Professional Standards	General Fund		706,630
Administrative Services Bureau			
2010 Human Resources	General Fund		2,255,320
2020 Administrative Resources	General Fund		8,004,030
2025 Fleet Control	General Fund		5,690,910
2420 Expeditor's Unit	General Fund		579,800
2421 Community Service Officer Program	General Fund		1,679,840
2505 Data Services Section	General Fund		1,631,370
2515 Records Section	General Fund		2,564,480
2070 Warrants Program	General Fund		236,960

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)				
Field Services Bureau				
2310	Operations Division South	General Fund		\$ 8,671,520
2320	Operations Division West	General Fund		8,907,510
2330	Operations Division Midtown	General Fund		8,648,790
2340	Operations Division East	General Fund		9,078,480
Support Services Bureau				
2400	Field Support Administration	General Fund		770,150
2011	Training	Public Safety Academy Fund		2,020,400
2012	Regional Training Center	Public Safety Academy Fund		164,800
2013	Training Equipment	Public Safety Academy Fund		50,000
2014	Correctional Officers Training Academy (COTA)	Public Safety Academy Fund		160,000
	Reimbursement			
2015	Off Duty Program	General Fund		3,189,150
2016	Pima College Reimbursement	Public Safety Academy Fund		60,000
2425	Communication Division	General Fund		4,850,650
2430	Air Support	General Fund		1,233,320
2440	Canine Unit	General Fund		747,890
2450	Special Weapons and Tactics (SWAT)	General Fund		640,410
2455	Explosives/Hazardous Devices	General Fund		240,480
2460	Driving Under the Influence (DUI) Squad	General Fund		735,660
2465	Motors	General Fund		2,256,750
2865	Traffic Investigation	General Fund		418,250
2470	Special Support Unit	General Fund		376,010
2410	Crime Prevention	General Fund		849,130
2480	School Resource Officer Program	General Fund		1,641,320
Investigative Services Bureau				
2800	Investigative Administration	General Fund		435,040
2710	Identification Section	General Fund		1,689,980
2720	Evidence	General Fund		721,890
2730	Crime Laboratory	General Fund		1,740,830
2810	Special Investigations Section	General Fund		1,688,770
2830	Metropolitan Area Narcotics	General Fund		877,750
	Trafficking Interdiction Squad			
	(MANTIS) Street Narcotics			
2835	MANTIS Conspiracy Section	General Fund		294,420
2855	Family Crimes Section	General Fund		1,605,210
2857	Sex Crimes Section	General Fund		1,521,510
2860	Violent Offenses Section	General Fund		3,453,970
2870	Special Problems Section	General Fund		1,076,970
2880	Major Theft Section	General Fund		1,876,200
2895	Investigations Support Section	General Fund		1,331,800

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)				
Grants				
2109	Technology Plan Local Law Enforcement Block Grant (LLEBG) V	Miscellaneous Federal Grants		\$ 233,710
2171	Technology Plan (LLEBG) VI	Miscellaneous Federal Grants		439,440
2172	Technology Plan (LLEBG) VII	Miscellaneous Federal Grants		193,910
2148	Technology Plan - Cops More 98	Miscellaneous Federal Grants		50,000
2149	Technology Plan - Cops More 2003	Miscellaneous Federal Grants		500,000
2169	Technology Plan - COPLINK IV	Miscellaneous Federal Grants		125,000
2103	Weed and Seed II	Miscellaneous Federal Grants		5,000
2231	Weed and Seed III	Miscellaneous Federal Grants		27,000
2288	Weed and Seed IV	Miscellaneous Federal Grants		115,930
2230	Drug Enforcement Administration (DEA) Weed and Seed II	Miscellaneous Federal Grants		8,700
2261	DEA Weed and Seed III	Miscellaneous Federal Grants		14,830
2126	Deoxyribo Nucleic Acid (DNA) Backlog Reduction	Miscellaneous Federal Grants		42,370
2276	Arizona (AZ) Vehicle Theft Prevention Task Force V	General Fund	\$ 30,360	
		Miscellaneous Non-Federal Grants	81,070	
	AZ Vehicle Theft Prevention Task Force V Sub-Total			111,430
2277	AZ Vehicle Theft Prevention Task Force VI	General Fund	30,360	
		Miscellaneous Non-Federal Grants	81,070	
	AZ Vehicle Theft Prevention Task Force VI Sub-Total			111,430
2130	Arizona Watch Your Car	Miscellaneous Non-Federal Grants		10,090
2239	Police Projects XVIII	Miscellaneous Non-Federal Grants		57,000
2255	Gang Resistance Education and Training (GREAT) IX	Miscellaneous Federal Grants		161,220
2256	GREAT X	Miscellaneous Federal Grants		150,790
2159	Records Improvement Program VII	General Fund	18,750	
		Miscellaneous Federal Grants	56,250	
	Records Improvement Program VII Sub-Total			75,000
2194	Victims' Rights Program V	Miscellaneous Non-Federal Grants		59,200
2285	High Intensity Drug Trafficking Areas (HIDTA) XII	Miscellaneous Federal Grants		10,650
2286	HIDTA XIII	Miscellaneous Federal Grants		107,550

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)				
2282	Multi-Agency Surveillance Team (MAST) VI	Miscellaneous Federal Grants		\$ 68,360
2283	Multi-Agency Surveillance Team (MAST) VII	Miscellaneous Federal Grants		6,770
2105	HIDTA Enforcement Agencies Task Force (HEAT) III (HIDTA XII)	Miscellaneous Federal Grants		4,000
2106	HEAT IV (HIDTA XIII)	Miscellaneous Federal Grants		5,000
2219	Traffic Enforcement: Equipment and Overtime	Miscellaneous Federal Grants		41,670
2263	Occupant Protection Enforcement Program II	Miscellaneous Federal Grants		10,000
2220	Universal Cops Hiring Grant II	General Fund		213,850
2221	Universal Cops Hiring Grant II (Class 1)	General Fund		837,960
2222	Universal Cops Hiring Grant II (Class 2)	General Fund		863,160
2223	Universal Cops Hiring Grant II (Class 3)	General Fund	\$ 661,700	
	Universal Cops Hiring Grant II (Class 3) Sub-Total	Miscellaneous Federal Grants	50,940	712,640
2246	Universal Cops Hiring Program III	General Fund		216,670
2247	Universal Cops Hiring Program III (Class 1)	General Fund	487,840	
	Universal Cops Hiring Program III (Class 1) Sub-Total	Miscellaneous Federal Grants	213,620	701,460
2248	Universal Cops Hiring Program III (Class 2)	General Fund	438,870	
	Universal Cops Hiring Program III (Class 2) Sub-Total	Miscellaneous Federal Grants	266,000	704,870
2249	Universal Cops Hiring Program III (Class 3)	General Fund	544,770	
	Universal Cops Hiring Program III (Class 3) Sub-Total	Miscellaneous Federal Grants	568,710	1,113,480
2228	Juvenile Accountability Block Grant III	Miscellaneous Federal Grants		78,400
2281	Juvenile Accountability Block Grant IV	General Fund	15,040	
	Juvenile Accountability Block Grant IV Sub-Total	Miscellaneous Federal Grants	284,810	299,850
2134	Juvenile Accountability Block Grant V	General Fund	9,160	
	Juvenile Accountability Block Grant V Sub-Total	Miscellaneous Federal Grants	174,080	183,240

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
POLICE (Continued)				
2227	Cops in Schools	General Fund	\$ 73,400	
		Miscellaneous Federal Grants	87,570	
	Cops in Schools Sub-Total			\$ 160,970
2294	DEA Transportation Group	Miscellaneous Federal Grants		2,300
	Task Force III			
2290	DEA Transportation Group	Miscellaneous Federal Grants		6,910
	Task Force V			
2234	Drug Enforcement Grant XVI	Miscellaneous Federal Grants	579,150	
		Miscellaneous Non-Federal Grants	230,850	
	Drug Enforcement Grant XVI Sub-Total			810,000
2118	Forensics/Police Criminalist XVI	Miscellaneous Non-Federal Grants		79,110
2243	U.S. Customs Task Force V	Miscellaneous Federal Grants		10,000
2244	U.S. Customs Task Force VI	Miscellaneous Federal Grants		30,000
2296	DEA State and Local Task Force IV	Miscellaneous Federal Grants		2,480
2297	DEA State and Local Task Force V	Miscellaneous Federal Grants		6,910
2195	Miscellaneous Federal Grants	Miscellaneous Federal Grants		990,000
2196	Miscellaneous State Grants	Miscellaneous Non-Federal		500,000
2298	Fund 001 Miscellaneous Matching Grants	General Fund		100,000
Forfeitures Funds Accounts				
2083	Anti-Racketeering Fund	General Fund		802,500
2084	Vehicle Fund	General Fund		128,750
2086	Major Offenders Unit (MOU) Forfeiture Fund	General Fund		200,180
2088	Metropolitan Area Narcotics Trafficking Interdiction Squad (MANTIS) Anti-Racketeering Fund Reimbursement	General Fund		475,000
2110	Crime Lab Assessment Fund	General Fund		150,000
2139	Federal Crime Control and Restitution	Miscellaneous Federal Grants		600,000
	Operating Sub-Total			113,899,090
Capital Improvement Program				
2091	Police Capital Improvement Program	2000 General Obligation Bonds		1,345,000
	Capital Sub-Total			1,345,000
DEPARTMENT TOTAL				\$ 115,244,090

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
INDEPENDENT POLICE AUDITOR			
1087 Independent Police Auditor	General Fund		\$ 147,440
TOTAL			\$ 147,440
OFFICE OF THE PUBLIC DEFENDER			
1460 Office of the Public Defender	General Fund		\$ 2,262,620
TOTAL			\$ 2,262,620
ENVIRONMENT AND DEVELOPMENT			
DEVELOPMENT SERVICES			
Administration			
1740 Administration	General Fund		\$ 1,826,350
Customer Services			
1741 Administrative Support	General Fund		74,090
1742 Records Management	General Fund		142,970
1743 Permitting	General Fund		282,630
Field Inspection			
1744 Commercial	General Fund		1,219,750
1745 Residential	General Fund		789,460
1746 Sign	General Fund		358,020
Plans Review			
1748 Plans Review	General Fund		825,430
1749 Zoning Plans Review	General Fund		632,500
1750 Engineering Plans Review	General Fund		687,870
Zoning Administration			
1752 Zoning Administration	General Fund		1,111,870
DEPARTMENT TOTAL			\$ 7,950,940
COMPREHENSIVE PLANNING TASK FORCE			
Administration			
1450 Administration	General Fund		\$ 971,310
Planning Services			
1452 Planning Services	General Fund		701,750
Strategic Priorities			
1453 Strategic Priorities	General Fund		907,800
1480 Grant Capacity	Miscellaneous Federal Grant		80,000
Land Use Code			
1454 Land Use Code	General Fund		332,320
DEPARTMENT TOTAL			\$ 2,993,180
SOLID WASTE MANAGEMENT			
Administration			
4601 Administration	Solid Waste Management Fund		\$ 919,940
4603 Tucson Clean and Beautiful	Solid Waste Management Fund		49,530

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
SOLID WASTE MANAGEMENT (Continued)				
Customer Service and Environmental Planning				
4610	Customer Support and Billing	Solid Waste Management Fund		\$ 602,870
4613	Program Development and Planning	Solid Waste Management Fund		1,360,170
4614	Recycling Grant	Miscellaneous Non-Federal Grants		410,000
4615	Code Enforcement	Solid Waste Management Fund		660,980
Collections				
4633	Residential Collections	Solid Waste Management Fund		9,204,150
4635	Brush and Bulky	Solid Waste Management Fund		1,646,040
4639	Commercial Collections	Solid Waste Management Fund		4,545,010
4641	Container Maintenance	Solid Waste Management Fund		775,380
Refuse Disposal				
4650	Engineering and Compliance	Solid Waste Management Fund		1,119,720
4653	Landfill Operations	Solid Waste Management Fund		4,316,050
4657	Household Hazardous Waste Program	Solid Waste Management Fund		275,080
Operating Sub-Total				25,884,920
Capital Improvement Program				
4700	Solid Waste Management Capital Improvement Program	Environmental and Solid Waste Mandate Reserves	\$ 4,748,700	
		1994 General Obligation Bonds Series B	435,400	
		2000 General Obligation Bonds	1,517,000	
Capital Sub-Total				6,701,100
DEPARTMENT TOTAL				\$ 32,586,020
TRANSPORTATION Management Services				
4910	Office of the Director	General Fund	\$ 78,770	
		Highway User Revenue Fund - Section 14	976,570	
Office of the Director Sub-Total				\$ 1,055,340

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)				
4963	Administrative Services	General Fund	\$ 235,620	
		Highway User Revenue	389,690	
		Fund - Section 14		
	Management Services Sub-Total			\$ 625,310
4964	Network Support	General Fund	233,520	
		Highway User Revenue	1,312,810	
		Fund		
	Network Support Sub-Total			1,546,330
Transit Services				
4922	Transit Services Administration	Mass Transit Fund		446,450
4923	Americans with Disabilities Act (ADA) Compliance	Mass Transit Fund		243,860
4916	State Grant Capacity - Transit Services Administration	Mass Transit Fund		73,000
Sun Tran				
4972	State Grant Capacity - Sun Tran	Mass Transit Fund		533,380
4973	Capital/Non-grant Expenses	Mass Transit Fund		22,000
4975	Operations Administration	Mass Transit Fund		1,408,980
4976	Scheduling	Mass Transit Fund		331,550
4977	Revenue Vehicles - Operation	Mass Transit Fund		17,052,120
4978	Revenue Vehicles - Maintenance	Mass Transit Fund		670,260
4979	Revenue Vehicles - Servicing	Mass Transit Fund		813,350
4980	Revenue Vehicles - Inspection/Maintenance	Mass Transit Fund		3,329,170
4981	Revenue Vehicles - Accident Repair	Mass Transit Fund		33,600
4982	Revenue Vehicles - Vandalism Repair	Mass Transit Fund		10,500
4983	Section 9 Grant Eligible Expenses	Mass Transit Fund		2,303,790
4984	Service Vehicles - Maintenance	Mass Transit Fund		72,210
4985	Parts Management	Mass Transit Fund		143,210
4987	Maintenance of Fare Collection/ Counting Equipment	Mass Transit Fund		106,410
4988	Maintenance of Other Buildings, Grounds, Equipment	Mass Transit Fund		844,430
4990	Maintenance of Bus Shelters	Mass Transit Fund		283,210
4991	Management Information Systems	Mass Transit Fund		170,770
4992	Ticketing and Fare Collection Communications	Mass Transit Fund		75,070
4993	General Administration	Mass Transit Fund		2,154,810
4994	Customer Service and	Mass Transit Fund		1,272,670
4995	General Function	Mass Transit Fund		465,840
4996	Accounting	Mass Transit Fund		431,310

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)				
4997	Parts and Purchasing	Mass Transit Fund		\$ 121,120
4998	Personnel	Mass Transit Fund		349,260
4999	Safety	Mass Transit Fund		119,200
Van Tran				
4880	General Administration	Mass Transit Fund		1,394,490
4881	Vehicle Operations	Mass Transit Fund		4,206,350
4882	Vehicle Maintenance	Mass Transit Fund		394,360
4883	Section 9 Grant Eligible Expenses	Mass Transit Fund		333,000
4884	State Grant Capacity-Van Tran	Mass Transit Fund		520,280
Transportation Planning				
4915	Planning Administration	General Fund	\$ 144,680	
		Highway User Revenue Fund - Section 14	234,230	
	Planning Administration Sub-Total			378,910
4904	Non-Federal Grants	Miscellaneous Non-Federal Grants		350,000
4905	Federal Grants	General Fund	300,000	
		Federal Highway Administration - Transportation Efficiency Act (TEA)	250,000	
	Federal Grants Sub-Total			550,000
4907	Alternate Modes Planning	General Fund		48,200
Engineering				
4930	Engineering Administration	General Fund	30,430	
		Highway User Revenue Fund - Section 14	791,920	
	Engineering Administration Sub-Total			822,350
4909	Pavement Management System Grants	Federal Highway Administration - TEA		422,780
4924	Improvement Districts	General Fund		170,210
4926	Engineering Design	Highway User Revenue Fund - Section 14		315,300
4931	Field Engineering	Highway User Revenue Fund - Section 14		495,920
4959	Permits and Codes	Highway User Revenue Fund - Section 14		121,220
4946	Stormwater Quality	General Fund		955,950
Real Estate				
4932	Real Estate Administration	General Fund		842,830
Street and Traffic Maintenance				
4933	Street Maintenance Administration	Highway User Revenue Fund - Section 14		2,220,150
4913	Maintenance Management Program Administration	Highway User Revenue Fund - Section 14		540,500

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)				
4934	Paved Surface Maintenance	Highway User Revenue Fund - Section 14		\$ 5,509,100
4935	Weed Control	Highway User Revenue Fund - Section 14		761,440
4936	Street Cleaning	Highway User Revenue Fund - Section 14		1,792,890
4937	Drainage Channel Maintenance	Highway User Revenue Fund - Section 14		554,320
4939	Other Maintenance	Highway User Revenue Fund - Section 14		797,250
4951	Electric Shop - Signal and Street Light Maintenance	General Fund Highway User Revenue Fund - Section 14	\$ 704,000 3,557,150	
	Electric Shop - Signal and Street Light Maintenance Sub-Total			4,261,150
4952	Electric Shop - Traffic Signal Electronic Maintenance	Highway User Revenue Fund - Section 14		561,570
4953	Median Island and Roadside Maintenance	Highway User Revenue Fund - Section 14		2,076,940
4954	Electric Shop - Bluestake and Electronics Inspection	Highway User Revenue Fund - Section 14		408,850
4960	Paint/Sign Shop - Sign Installation	Highway User Revenue Fund - Section 14		551,830
4961	Paint/Sign Shop - Striping	Highway User Revenue Fund - Section 14		718,450
4967	Non-paved Surface Maintenance	Highway User Revenue Fund - Section 14		479,020
4968	Storm Damage Repairs	Highway User Revenue Fund - Section 14		501,700
4969	Concrete Work	Highway User Revenue Fund - Section 14		322,770
Traffic Engineering				
4940	Traffic Engineering Administration	Highway User Revenue Fund - Section 14		444,480
4941	Citizen Request Studies	Highway User Revenue Fund - Section 14		590,130
4943	Intelligent Transportation Systems	Highway User Revenue Fund - Section 14		778,380
4948	Neighborhood Traffic Management	Highway User Revenue Fund - Section 14		313,980
4906	Transportation Enterprise Area Management (TEAM) - Special Services and Projects	General Fund		26,900
4942	TEAM - Parking Operations and Maintenance	General Fund		1,866,930
Operating Sub-Total				75,509,390

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)				
Capital Improvement Program¹				
4051	Streets	1994 Street and Highway Revenue Bonds Series F	\$ 2,473,800	
		2000 Street and Highway Revenue Bonds	6,882,000	
		2000 General Obligation Bonds - Series A	1,344,000	
		2000 General Obligation Bonds - Series B	412,000	
		Arizona Department of Transportation	500,000	
		Highway User Revenue Fund - Section 14	8,922,300	
		Pima Association of Governments	7,748,800	
		Capital Agreements Fund	1,150,000	
		General Fund	400,000	
		Federal Highway Administration - TEA	32,603,000	
	Streets Sub-Total			\$ 62,435,900
4052	Drainage	1994 General Obligation Bonds Series E	278,000	
		2000 General Obligation Bonds - Series A	2,718,200	
		2000 General Obligation Bonds - Series B	12,030,000	
		Miscellaneous Non-Federal Grants	728,000	
		University of Arizona - Contribution	50,000	
	Drainage Sub-Total			15,804,200
4055	Street Lighting	2000 General Obligation Bonds - Series A	1,556,000	
		2000 General Obligation Bonds - Series B	1,932,000	
		General Fund	133,000	
		Highway User Revenue Fund - Section 14	328,000	
	Street Lighting Sub-Total			3,949,000
4056	Traffic Signals	2000 Street and Highway Revenue Bonds	3,884,000	
		Capital Agreements Fund	123,000	
		Federal Highway Administration - TEA	975,000	

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TRANSPORTATION (Continued)				
	Traffic Signals (Continued)	Highway User Revenue	\$ 548,000	
		Fund - Section 14		
		Pima Association of Governments	20,000	
		Pima County Contributions	206,000	
		Tucson Unified School District Contributions	130,000	
	Traffic Signals Sub-Total			\$ 5,886,000
4971	Public Transit	2000 Street and Highway Revenue Bonds	185,000	
		Capital Agreements Fund	200,000	
		Highway User Revenue Fund - Section 14	60,000	
	Public Transit (Continued)	Mass Transit TEA	1,071,000	
		Mass Transit Section 3	8,705,000	
		Mass Transit Section 3 - Local	401,000	
		Mass Transit Section 9	14,172,500	
		Mass Transit Section 9 - Local	2,845,200	
		Pima Association of Governments	100,000	
		University of Arizona Contributions	7,000	
	Public Transit Sub-Total			27,746,700
	Capital Sub-Total ¹			115,821,800
DEPARTMENT TOTAL				\$ 191,331,190
TUCSON WATER				
Director's Office				
7416	Director's Office	Water Revenue and Operations Fund		\$ 2,672,230
7319	Customer Outreach	Water Revenue and Operations Fund		1,153,440
7418	Personnel Services	Water Revenue and Operations Fund		923,700
7400	Low Income Assistance	Water Revenue and Operations Fund		126,720
7297	Maintenance Management Program	Water Revenue and Operations Fund		647,470
Business Services				
7317	Billing Office	Water Revenue and Operations Fund		2,230,050
7327	Westside Metering Services	Water Revenue and Operations Fund		1,697,920

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)				
7329	Eastside Metering Services	Water Revenue and Operations Fund		\$ 1,412,150
7417	Financial Services	Water Revenue and Operations Fund		1,308,830
7432	Information Services	Water Revenue and Operations Fund		1,196,710
7455	Pueblo Utility Billing System	Water Revenue and Operations Fund		1,569,360
Water Operations and Maintenance				
7117	Control Systems Operations	Water Revenue and Operations Fund		9,208,680
7137	Equipment Maintenance	Water Revenue and Operations Fund		2,935,990
7157	Well Maintenance	Water Revenue and Operations Fund		949,010
7177	Plant Maintenance	Water Revenue and Operations Fund		2,129,040
7217	Support Services	Water Revenue and Operations Fund		1,699,260
7227	Distribution Maintenance	Water Revenue and Operations Fund		1,973,110
7237	Service Maintenance	Water Revenue and Operations Fund		3,113,130
7200	Clearwater Renewable Resource Facility	Water Revenue and Operations Fund		7,537,550
Planning and Engineering				
7318	Backflow Prevention	Water Revenue and Operations Fund		489,360
7425	Administrative and Project Support	Water Revenue and Operations Fund		959,130
7426	Plant Design	Water Revenue and Operations Fund		418,890
7427	Distribution Design	Water Revenue and Operations Fund		250,630
7428	Construction	Water Revenue and Operations Fund		518,080
7429	Mapping/Geographical Information Systems	Water Revenue and Operations Fund		824,700
7430	Water System Evaluation	Water Revenue and Operations Fund		972,510
7457	Research and Technical Support	Water Revenue and Operations Fund		1,718,360

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)				
Water Quality Management				
7127	Reclaimed Water System	Water Revenue and Operations Fund		\$ 2,100,120
7431	Water Quality Laboratory	Water Revenue and Operations Fund		1,659,720
7434	Water Quality Technical Support and Development	Water Revenue and Operations Fund		573,730
7435	Tucson Airport Remediation Project	Water Revenue and Operations Fund		777,110
7470	Water Quality Management Administrative Support	Water Revenue and Operations Fund		958,360
7471	Water Treatment Plant Operations	Water Revenue and Operations Fund		912,380
7472	Water Treatment Plant Maintenance	Water Revenue and Operations Fund		599,280
7473	Water Treatment Instrumentation and Control	Water Revenue and Operations Fund		250,290
7475	Water Quality Compliance and Regulatory Support	Water Revenue and Operations Fund		326,230
Other Budgetary Requirements				
7437	General Expense	Water Revenue and Operations Fund		15,822,170
7438	Administrative Service Charges	Water Revenue and Operations Fund		7,142,380
7439	Capitalized Operating and Maintenance Expense	Water Revenue and Operations Fund		(5,000,000)
7491	Private Water Company Contract Payments	Water Revenue and Operations Fund		410,220
7497	Debt Service: Water Infrastructure Finance Authority (WIFA) Loans	Water Revenue and Operations Fund		2,158,000
7498	Debt Service: Water Revenue Bonds	Water Revenue and Operations Fund		23,934,000
7MBP	Multiple Benefit Water Projects	Water Revenue and Operations Fund		50,000
Operating Sub-Total				103,310,000
Capital Improvement Program				
7510	Potable Source Development	2000 Water Revenue Bonds Water Revenue and Operations Fund	\$ 1,858,000 55,000	
	Potable Source Development Sub-Total			1,913,000
7511	Recharge and Recovery	2000 Water Revenue Bonds 2000 Water Infrastructure Finance Authority Bonds	10,752,000 6,461,000	
	Recharge and Recovery Sub-Total			17,213,000

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)				
7520	Potable Storage	2000 Water Revenue Bonds	\$ 4,410,000	
		2000 Water Infrastructure Finance Authority Bonds	1,530,000	
		Water Revenue and Operations Fund	55,000	
	Potable Storage Sub-Total			\$ 5,995,000
7530	Potable Pumping Plant	2000 Water Revenue Bonds	2,680,000	
		Water Revenue and Operations Fund	55,000	
	Potable Pumping Plant Sub-Total			2,735,000
7540	Potable Transmission Mains	2000 Water Revenue Bonds	2,100,000	
		2000 Water Infrastructure Finance Authority Bonds	2,251,000	
		Water Revenue and Operations Funds	100,000	
	Potable Transmission Mains Sub-Total			4,451,000
7550	Potable Distribution	2000 Water Revenue Bonds	4,417,000	
		Water Revenue and Operations Fund	2,470,000	
	Potable Distribution Sub-Total			6,887,000
7560	Potable New Services	Water Revenue and Operations Fund		1,905,000
7570	General Plant	2000 Water Revenue Bonds	1,863,000	
		Water Revenue and Operations Fund	3,512,000	
	General Plant Sub-Total			5,375,000
7591	Potable Treatment	2000 Water Revenue Bonds	859,000	
		2000 Water Infrastructure Finance Authority Bonds	700,000	
		Water Revenue and Operations Fund	256,000	
		Central Arizona Project Reserve Fund	10,000	
	Potable Treatment Sub-Total			1,825,000
7595	Potable Process Control	2000 Water Revenue Bonds	249,000	
		Water Revenue and Operations Fund	331,000	
	Potable Process Control Sub-Total			580,000
7599	Capitalized Expense	Water Revenue and Operations Fund		5,000,000
7610	Reclaimed Source Development	2000 Water Revenue Bonds		600,000

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
TUCSON WATER (Continued)				
7620	Reclaimed Storage	2000 Water Revenue Bonds Water Revenue and Operations Fund	\$ 1,080,000 55,000	\$ 1,135,000
7630	Reclaimed Storage Sub-Total Reclaimed Pumping Plant	2000 Water Revenue Bonds Water Revenue and Operations Fund	240,000 55,000	
7640	Reclaimed Pumping Plant Sub-Total Reclaimed Transmission	2000 Water Revenue Bonds		295,000 1,625,000
7650	Reclaimed Distribution	2000 Water Revenue Bonds Water Revenue and Operations Fund	315,000 60,000	
7660	Reclaimed Distribution Sub-Total Reclaimed New Services	Water Revenue and Operations Fund		375,000 50,000
7691	Reclaimed Treatment	2000 Water Revenue Bonds		30,000
7695	Reclaimed Process Control	2000 Water Revenue Bonds		245,000
	Capital Sub-Total			58,234,000
DEPARTMENT TOTAL				\$ 161,544,000
ENVIRONMENTAL MANAGEMENT				
1080	Environmental Management Administration	General Fund		\$ 353,440
1081	Environmental Regulation	General Fund		1,005,220
1083	Environmental Operating and Maintenance Costs	General Fund	\$ 500,000	
	Environmental Operating and Maintenance Costs Sub-Total	General Fund - Restricted	320,000	820,000
1097	Brownfields Grant - Environmental Management	Miscellaneous Federal Grants		200,000
1086	Citywide Brownfields Program	General Fund		91,600
	Operating Sub-Total			2,470,260
Capital Improvement Program				
1085	Environmental Management Capital Improvement Program	1994 General Obligation Bonds Series E	505,000	
		2000 General Obligation Bonds	3,734,800	
		Capital Agreements Fund	1,000,000	
		Environmental and Solid Waste Mandate Reserves	1,390,000	
		Water Quality Assurance Revolving Fund	1,600,000	
	Capital Sub-Total			8,229,800
TOTAL				\$ 10,700,060

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
HISTORIC PRESERVATION OFFICE				
1092	Historic Preservation	General Fund		\$ 130,770
1063	Heritage Rehabilitation Grant II	Miscellaneous Non-Federal Grants		210,000
1095	San Clemente National Register Nomination	Miscellaneous Federal Grants		20,000
TOTAL				\$ 360,770
ZONING EXAMINER				
1043	Zoning Examiner	General Fund		\$ 157,730
TOTAL				\$ 157,730
STRATEGIC INITIATIVES				
TUCSON CONVENTION CENTER Administration				
1716	Administration	Tucson Convention Center Fund		\$ 655,710
Event Development				
1718	Event Development	Tucson Convention Center Fund		329,270
Event Services				
1719	Event Support	Tucson Convention Center Fund		262,800
1720	Operations	Tucson Convention Center Fund		8,462,260
1721	Stage	Tucson Convention Center Fund		339,500
1722	Box Office	Tucson Convention Center Fund		401,210
1723	Parking	Tucson Convention Center Fund		174,540
1725	Facility Fee Improvements	Tucson Convention Center Fund		700,000
1726	Parking Improvement	Tucson Convention Center Fund		200,000
Operating Sub-Total				11,525,290
Capital Improvement Program				
1710	Tucson Convention Center Capital Improvement Program	Tucson Convention Center Fund		70,000
Capital Sub-Total				70,000
DEPARTMENT TOTAL				\$ 11,595,290
ECONOMIC DEVELOPMENT				
1041	Tucson Film Office	General Fund		\$ 196,220
1048	Business Assistance	General Fund	\$ 1,324,130	
		Community Development Block Grant Fund	125,000	
Business Assistance Sub-Total				1,449,130

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
ECONOMIC DEVELOPMENT (Continued)				
1047	Small Business Administration Business Learning, Investment, Networking and Collaboration Grant	Miscellaneous Federal Grants		\$ 500,000
1049	Economic Development Administration Grant	Miscellaneous Federal Grants		34,560
TOTAL				\$ 2,179,910
INTERGOVERNMENTAL RELATIONS				
1030	Intergovernmental Relations	General Fund		\$ 534,090
TOTAL				\$ 534,090
TUCSON-MEXICO TRADE OFFICE				
1062	Tucson-Mexico Trade Office	General Fund		\$ 580,830
TOTAL				\$ 580,830
SUPPORT SERVICES				
BUDGET AND RESEARCH				
Administration				
1260	Administration	General Fund		\$ 513,600
Budget Management				
1261	Budget Management	General Fund		1,337,810
1263	Position Control	General Fund		70,000
1264	Budget Reporting and Analysis Support System (BRASS)	General Fund		115,000
Performance Systems				
1266	Performance Systems	General Fund		100,690
DEPARTMENT TOTAL				\$ 2,137,100
FINANCE				
Director's Office				
1210	Director's Office	General Fund		\$ 423,340
Audit				
1220	Administration	General Fund		246,550
1223	Tax Audit	General Fund		960,420
1225	Internal Audit	General Fund		400,180
Accounting				
1230	Administration	General Fund		455,350
1231	Services	General Fund		785,080
1232	Operations	General Fund		452,760
1233	Systems	General Fund		119,440
Treasury/Pension				
9021	Pension	Tucson Supplemental Retirement System		-0-
1240	Investments	General Fund		191,590
1241	Collections	General Fund		864,460

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
FINANCE (Continued)			
Revenue			
1250 Revenue Administration	General Fund		\$ 525,480
1251 License	General Fund		978,990
1252 Investigations	General Fund		719,870
1253 Delinquent Accounts	General Fund		198,230
Risk Management			
1270 Risk Management Administration	Risk Management/Self Insurance Fund		-0-
1271 Claims	Risk Management/Self Insurance Fund		-0-
1272 Loss Prevention	Risk Management/Self Insurance Fund		-0-
DEPARTMENT TOTAL			\$ 7,321,740
HUMAN RESOURCES			
Administration			
1610 Administration	General Fund		\$ 744,620
Employment Services			
1612 Employment Services	General Fund		957,550
Employee Support Services			
1616 Employee Support Services	General Fund		470,710
Employee Education Services			
1630 Employee Education Services	General Fund		804,410
DEPARTMENT TOTAL			\$ 2,977,290
INFORMATION TECHNOLOGY			
Administration			
1551 Information Technology Administration	General Fund		\$ 833,350
1555 Strategic Initiatives	General Fund		362,600
Creative Services			
1560 Public Information	General Fund		136,970
1561 Channel 12	General Fund		1,138,060
1562 Channel 12 - Intermittent	General Fund		65,220
1563 Citigraphics	General Fund		177,720
Telecommunications			
1575 Telecommunications	General Fund		323,070
1579 Wiring Projects	General Fund		225,000
1580 Public Access Fund	General Fund		50,000
Applications			
1583 Applications	General Fund		1,840,250

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
INFORMATION TECHNOLOGY				
(Continued)				
Support Services				
1593	Customer Services	General Fund		\$ 713,670
1594	Network Services	General Fund		2,923,430
1595	I-Net	General Fund		472,350
1597	Operations	General Fund		2,140,820
1598	Facilities Management	General Fund		427,540
DEPARTMENT TOTAL				\$ 11,830,050
OPERATIONS				
Administration				
4132	Operations Administration	General Fund		\$ 893,420
4120	Departmental Grants	Miscellaneous Federal Grants	\$ 1,458,680	
		Miscellaneous Non-Federal Grants	1,500,000	
	Departmental Grants Sub-Total			2,958,680
Facilities Design and Management				
4101	Facilities Administration	General Fund		160,920
4102	Public Building Maintenance	General Fund		4,968,410
4105	Maintenance Management and Planning	General Fund		344,180
4107	Building Maintenance and Improvements	General Fund		1,235,000
4112	Custodial Services	General Fund		315,870
Architecture and Engineering				
4114	Architecture and Engineering Administration	General Fund		187,170
4115	Architectural and Engineering Services	General Fund		244,850
4116	Project Coordinators	General Fund		93,140
Technical Planning and Resources				
4151	Technical Planning and Resources	General Fund		1,045,220
4153	Energy Star Buildings Program	General Fund		416,650
4124	Teaching Energy Conservation Grant	Miscellaneous Federal Grant		41,320
Fleet Services				
4201	Fleet Services Administration	Fleet Services Fund		103,240
4202	Fleet Maintenance and Repair	Fleet Services Fund		9,763,340
4203	Fleet Programs and Systems Support	Fleet Services Fund		200,280
4204	Fleet Planning and Utilization	Fleet Services Fund		117,530
4206	Intergovernmental Agreements - Non-City Agency Billings	Fleet Services Fund		38,630
4210	Compressed Natural Gas Fuel Costs	Fleet Services Fund		1,135,110
4215	Liquid Fuel Costs	Fleet Services Fund		3,990,340

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization	Funding Source	Fund Total	Organization/ Department Total
OPERATIONS (Continued)			
4242 Motor Pool	Fleet Services Fund		\$ 738,220
4250 Fleet Acquisitions	Fleet Services Fund		8,988,740
4251 Fleet Inter-Activity Credits	Fleet Services Fund		(25,075,430)
Communications			
4301 Communications Administration	General Fund		209,120
4305 Communications Data Services	General Fund		800,710
4311 Radio Operations	General Fund		4,914,230
4312 Telecommunications Systems	General Fund		270,230
4320 Communications Maintenance of Data Systems	General Fund		445,280
4321 Communications Tri-Band Repeater	General Fund		106,490
4322 Radio Maintenance	General Fund		185,210
Operating Sub-Total			19,836,100
Capital Improvement Program			
4400 Buildings Capital Improvement Program	General Fund	\$ 1,150,600	
	General Fund - Debt Financing	5,850,000	
Capital Sub-Total			7,000,600
DEPARTMENT TOTAL			\$ 26,836,700
PROCUREMENT			
Administration			
1350 Administration	General Fund		\$ 646,820
1363 Auction Expense	General Fund		11,350
Reprographics			
1352 Reprographics	General Fund		-0-
Stores			
1353 Stores	General Fund		1,206,750
Contract Administration			
1354 Contract Administration	General Fund		459,120
1351 On-line Procurement Integration System	General Fund		191,250
Mail Services			
1355 Mail Services	General Fund		244,310
Purchasing			
1356 Purchasing	General Fund		631,950
Architectural Engineering Contracts			
1359 Architecture and Engineering Contract Services	General Fund		128,810
DEPARTMENT TOTAL			\$ 3,520,360
EQUAL OPPORTUNITY OFFICE			
1035 Equal Opportunity Office	General Fund		\$ 702,410
TOTAL			\$ 702,410

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
NON-DEPARTMENTAL OUTSIDE AGENCIES				
1840	Payments to Other Governments	General Fund	\$ 1,014,620	
		Highway User Revenue	101,650	
		Fund - Section 14		
	Payments to Other Governments Sub-Total			\$ 1,116,270
1810	Economic Development	General Fund		3,060,800
1812	Cultural Enrichment	General Fund		1,157,040
1820	Community Health and Safety	General Fund		212,370
1815	Mayor and Council Appointed Commissions	General Fund		30,380
1842	Annual Community Events	General Fund		92,250
1825	Tucson Community Cable	General Fund	787,860	
	Corporation (Access Tucson)	General Fund - Restricted	295,000	
	Tucson Community Cable Corporation (Access Tucson) Sub-Total			1,082,860
TOTAL				\$ 6,751,970
GENERAL EXPENSE				
1827	Geographical Information Systems	General Fund		\$ 166,590
1830	Other General Government Expense	General Fund		1,609,100
1831	Cultural/Educational Youth Travel	General Fund		18,000
1832	A-7 Grant Funded Projects	General Fund	\$ 70,910	
		Miscellaneous Non-Federal Grants	135,620	
	A-7 Grant Funded Projects Sub-Total			206,530
1833	A-7 Grant Capacity	Miscellaneous Non-Federal Grants		150,000
1834	A-7 Ranch Operations	General Fund		209,060
1837	Tucson Convention Center Switchgear Project	General Fund		1,842,750
1839	Other General Expenditures	General Fund		4,000,000
1849	Oro Valley Library Reimbursement	Library Fund		500,000
1853	Equity Compensation Adjustment	General Fund		1,694,800
1854	Golf Reimbursement Fund	General Fund		107,000
1860	Indirect Cost	General Fund		(4,504,370)
1861	Administrative Support-Highway User Revenue Fund	Highway User Revenue Fund - Section 14		158,590
1890	Retiree Medical Insurance	General Fund		1,903,800
	Operating Sub-Total			8,061,850

SOURCE OF FUNDS BY ORGANIZATION
Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
GENERAL EXPENSE (Continued)				
Capital Improvement Program				
1895	General Expense Capital Improvement Program	General Fund - Reserves	\$ 6,650,000	
		General Fund - Certificates of Participation	8,362,900	
		General Obligation Bond Funds	714,300	
	Capital Sub-Total			\$ 15,727,200
TOTAL				\$ 23,789,050
DEBT SERVICE				
1991	Highway Expansion and Extension Loan Program	Highway User Revenue Fund - Section 14	\$ 296,030	
		Pima Association of Governments	4,800,000	
	Highway Expansion and Extension Loan Program Sub-Total			\$ 5,096,030
1992	Business Development Finance Corporation Fixed Rate Debt	General Fund		654,630
1993	Hi Corbett Field Debt Service	General Fund		910,640
1994	Lease Purchases Debt Service	General Fund	320,590	
		Solid Waste Management Fund	237,310	
	Lease Purchases Debt Service Sub-Total			557,900
1995	Certificates of Participation Debt Service	General Fund	4,526,150	
		General Fund - Zoo Revenue	394,820	
		Solid Waste Management Fund	66,250	
		Public Safety Academy Fund	256,220	
		Highway User Revenue Fund - Section 14	1,840,800	
		Community Development Block Grant Fund	46,510	
		Public Housing Conventional/Development Fund	2,570	
		Public Housing - Section 8 Fund	136,980	
		HOME Program	9,660	
	Certificates of Participation Debt Service Sub-Total			7,279,960

SOURCE OF FUNDS BY ORGANIZATION

Fiscal Year 2003

Department/Organization		Funding Source	Fund Total	Organization/ Department Total
DEBT SERVICES (Continued)				
1996	General Obligation Debt Service	General Obligation Debt Service Fund		\$ 20,756,360
1997	Street and Highway Debt Service	Street and Highway Debt Service Fund		16,035,270
1998	Assessment Districts	General Fund		6,000
TOTAL				\$ 51,296,790
CONTINGENCY				
1999	Contingency Fund	General Fund		\$ 200,910
TOTAL				\$ 200,910
TOTAL ANNUAL BUDGET				\$ 935,539,870

Footnotes

- ¹ Because the Special Assessments Fund is not a city fund, it is not included here; however, it is included in the Approved Five-Year Capital Improvement Program, Volume III.

FUND BALANCE ANALYSIS
FISCAL YEAR 2003
(Millions of Dollars)

	Beginning Balance	Revenues	Operating	Capital	Appropriations Debt Service	Contingency	Total	Ending Balance
<u>General Purpose Funds</u>								
General Fund ⁽¹⁾	\$ 22.179	\$ 316.070	\$ 303.083	\$ 28.152	\$ 6.813	\$ 0.201	\$ 338.249	\$ -0-
Solid Waste Management Fund	4.749	25.778	25.474	4.749	0.304	-0-	30.527	-0-
Library Fund	-0-	20.354	20.354	-0-	-0-	-0-	20.354	-0-
Public Safety Academy Fund	-0-	4.658	4.402	-0-	0.256	-0-	4.658	-0-
Tucson Convention Center Fund	0.108	11.487	11.525	0.070	-0-	-0-	11.595	-0-
Mass Transit Fund	1.147	66.778	40.730	27.195	-0-	-0-	67.925	-0-
Total General Purpose Funds	28.183	445.125	405.568	60.166	7.373	0.201	473.308	-0-
<u>Special Revenue Funds</u>								
Capital Agreements Fund	11.987	13.296	-0-	20.483	4.800	-0-	25.283	-0-
Highway User Revenue Fund - Section 14 ⁽²⁾	31.520	31.939	28.472	11.558	2.137	-0-	42.167	21.292
Miscellaneous Non-Federal Grants	-0-	7.709	6.131	1.578	-0-	-0-	7.709	-0-
Total Special Revenue Funds	43.507	52.944	34.603	33.619	6.937	-0-	75.159	21.292
<u>Federal Funds</u>								
Community Development Block Grant	-0-	13.094	11.772	1.275	0.047	-0-	13.094	-0-
Public Housing Funds	-0-	51.303	48.132	3.171	-0-	-0-	51.303	-0-
Transportation Efficiency Act	-0-	34.251	0.673	33.578	-0-	-0-	34.251	-0-
Miscellaneous Federal Grants	-0-	11.604	11.604	-0-	-0-	-0-	11.604	-0-
Total Federal Funds	-0-	110.252	72.181	38.024	0.047	-0-	110.252	-0-

FUND BALANCE ANALYSIS
FISCAL YEAR 2003
(Millions of Dollars)

	Beginning Balance	Revenues	Operating	Capital	Appropriations Debt Service	Contingency	Total	Ending Balance
<u>Debt Service Funds</u>								
General Obligation Debt Service Fund	\$ -0-	\$ 20.756	\$ -0-	\$ -0-	\$ 20.756	\$ -0-	\$ 20.756	\$ -0-
Street and Highway Debt Service Fund	-0-	16.035	-0-	-0-	16.035	-0-	16.035	-0-
Total Debt Service Funds	-0-	36.791	-0-	-0-	36.791	-0-	36.791	-0-
<u>Capital Projects Funds</u>								
General Obligation Bonds Funds ⁽³⁾	30.749	25.000	-0-	54.349	-0-	-0-	54.349	1.400
Street and Highway Revenue Bonds Funds ⁽³⁾	6.874	7.000	-0-	13.425	-0-	-0-	13.425	0.449
Total Capital Projects Funds	37.623	32.000	-0-	67.774	-0-	-0-	67.774	1.849
<u>Enterprise Funds</u>								
Golf Course Fund	-0-	10.712	9.901	0.811	-0-	-0-	10.712	-0-
Water Revenue and Operations Fund ⁽⁴⁾	7.579	118.060	77.218	13.969	26.092	-0-	117.279	8.360
Water Revenue Bonds Funds ⁽³⁾	-0-	44.265	-0-	44.265	-0-	-0-	44.265	-0-
Total Enterprise Funds	7.579	173.037	87.119	59.045	26.092	-0-	172.256	8.360
TOTAL	\$ 116.892	\$ 850.149	\$ 599.471	\$ 258.628	\$ 77.240	\$ 0.201	\$ 935.540	\$ 31.501

Notes:

- (1) The city has set aside \$17,118,000 as an unbudgeted strategic reserve that is not reflected in this balance. This reserve can only be used for extraordinary and unforeseen expenditures or in the event of a sudden substantial decline in projected revenues. Its use requires approval of Mayor and Council. This amount is equal to approximately 4.4% of the total adopted general purpose revenues. (See page E-6)
- (2) Fund reserves have been built up as part of the city's management plan to provide available Highway User Revenue Fund resources for the retirement of future debt service requirements on street and highway revenue bonds and to provide available resources to finance capital improvement needs.
- (3) Bond fund balances are restricted for use in subsequent fiscal years' capital improvement program.
- (4) Water Revenue and Operations Fund's beginning and ending balances reflect working capital. These funds are restricted, by Mayor and Council policy and bond covenants, to meet operating and capital requirements of the utility.

FUND STATEMENTS

GENERAL PURPOSE FUNDS

Schedule I	General Fund
Schedule II	Solid Waste Management Fund
Schedule III	Library Fund
Schedule IV	Public Safety Academy Fund
Schedule V	Tucson Convention Center Fund
Schedule VI	Mass Transit Fund

SPECIAL REVENUE FUNDS

Schedule VII	Capital Agreements Fund
Schedule VIII	Highway User Revenue Fund - Section 14
Schedule IX	Miscellaneous Non-Federal Grants

FEDERAL FUNDS

Schedule X	Community Development Block Grant
Schedule XI	Public Housing Funds
Schedule XII	Transportation Efficiency Act
Schedule XIII	Miscellaneous Federal Grants

DEBT SERVICE FUNDS

Schedule XIV	General Obligation Debt Service Fund
Schedule XV	Street and Highway Debt Service Fund

CAPITAL PROJECTS FUNDS

Schedule XVI	General Obligation Bonds Funds
Schedule XVII	Street and Highway Revenue Bonds Funds

ENTERPRISE FUNDS

Schedule XVIII	Golf Course Fund
Schedule XIX	Water Revenue and Operations Fund
Schedule XX	Water Revenue Bonds Funds

SCHEDULE I
GENERAL FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	22.179
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Revenues

Primary Property Tax	\$	4.613
Business Privilege Tax		104.097
Other Local Taxes		17.840
Licenses and Permits		15.954
Fines and Forfeitures		7.963
Use of Money and Property		6.066
Grants and Shared Taxes		60.543
State Revenue Sharing		52.389
Charges for Services		20.221
Non-Revenue Receipts		10.581
Non-Recurring		15.803

Total Revenues		<u>316.070</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>338.249</u></u>
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REQUIREMENTS

Operating

Mayor and Council	\$	2.732
City Manager		2.195
City Clerk		2.682
City Attorney		6.787
City Court		9.610
Community Services		6.371
Fire		45.173
Neighborhood Resources		1.912
Parks and Recreation		38.406
Police		104.016
Independent Police Auditor		0.147
Public Defender		2.263
Development Services		7.951
Comprehensive Planning Task Force		2.913
Transportation		5.638

SCHEDULE I (Continued)

GENERAL FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

REQUIREMENTS

Operating (Continued)

Environmental Management	\$ 2.270
Historic Preservation Office	0.131
Zoning Examiner	0.158
Office of Economic Development	1.520
Intergovernmental Relations	0.534
Tucson-Mexico Project	0.581
Budget and Research	2.137
Finance	7.322
Human Resources	2.977
Information Technology	11.830
Operations	16.836
Procurement	3.520
Equal Opportunity Office	0.703
Outside Agencies	6.650
General Expense	7.118
Debt Service	6.813
Contingency	<u>0.201</u>

Total Operating Budget	\$ 310.097
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Capital

Fire	1.590
Neighborhood Resources	2.625
Transportation	0.533
Environmental Management	1.390
Operations	7.001
General Expense	<u>15.013</u>

Total Capital	<u>28.152</u>
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TOTAL REQUIREMENTS	<u><u>\$ 338.249</u></u>
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SCHEDULE II

SOLID WASTE MANAGEMENT FUND SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002		\$ 4.749
Revenues		
Business Privilege Tax	\$ 14.627	
Licenses and Permits	0.010	
Charges for Services	<u>11.141</u>	
Total Revenues		<u>25.778</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 30.527</u></u>

REQUIREMENTS

Operating		
Solid Waste Management	\$ 25.474	
Debt Service	<u>0.304</u>	
Total Operating		\$ 25.778
Capital		
Solid Waste Management	<u>4.749</u>	
Total Capital		<u>4.749</u>
TOTAL REQUIREMENTS		<u><u>\$ 30.527</u></u>

SCHEDULE III

LIBRARY FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
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Revenues

Business Privilege Tax	\$	9.048
Grants and Shared Taxes		10.677
Charges for Services		<u>0.629</u>

Total Revenues		<u>20.354</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>20.354</u></u>
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REQUIREMENTS

Operating

Library	\$	19.854
General Expense		<u>0.500</u>

TOTAL REQUIREMENTS	\$	<u><u>20.354</u></u>
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SCHEDULE IV

PUBLIC SAFETY ACADEMY FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Business Privilege Tax	\$	3.822
Charges for Services		<u>0.836</u>
Total Revenues		<u>4.658</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>4.658</u></u>

REQUIREMENTS

Operating		
Fire	\$	1.947
Police		2.455
Debt Service		<u>0.256</u>
TOTAL REQUIREMENTS	\$	<u><u>4.658</u></u>

SCHEDULE V

TUCSON CONVENTION CENTER FUND SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002		\$ 0.108
Revenues		
Business Privilege Tax	\$ 7.558	
Charges for Services	<u>3.929</u>	
Total Revenues		<u>11.487</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 11.595</u></u>

REQUIREMENTS

Operating		
Tucson Convention Center	<u>\$ 11.525</u>	
Total Operating		\$ 11.525
Capital		
Tucson Convention Center	<u>0.070</u>	
Total Capital		<u>0.070</u>
TOTAL REQUIREMENTS		<u><u>\$ 11.595</u></u>

SCHEDULE VI

MASS TRANSIT FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	1.147
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Revenues

Business Privilege Tax	\$	27.177
Grants and Shared Taxes		3.343
Charges for Services		10.200
Federal Grants		2.109
Non-Recurring Federal Grants		<u>23.949</u>

Total Revenues		<u>66.778</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>67.925</u></u>
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REQUIREMENTS

Operating

Transportation	\$	<u>40.730</u>
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Total Operating	\$	40.730
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Capital

Transportation		<u>27.195</u>
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Total Capital		<u>27.195</u>
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TOTAL REQUIREMENTS	\$	<u><u>67.925</u></u>
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SCHEDULE VII

CAPITAL AGREEMENTS FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	11.987
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Revenues

Local Grants	\$	<u>13.296</u>
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Total Revenues		<u>13.296</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>25.283</u></u>
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REQUIREMENTS

Operating

Debt Service	\$	<u>4.800</u>
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Total Operating	\$	4.800
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Capital

Parks and Recreation	\$	7.648
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Transportation		10.235
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Environmental Management		<u>2.600</u>
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Total Capital		<u>20.483</u>
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TOTAL REQUIREMENTS	\$	<u><u>25.283</u></u>
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SCHEDULE VIII

HIGHWAY USER REVENUE FUND - SECTION 14 SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	31.520
Revenues		
Grants and Shared Taxes	\$	30.386
Interest Earnings		<u>1.553</u>
Total Revenues		31.939
Estimated Ending Fund Balance June 30, 2003		<u>(21.292)</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>42.167</u></u>

REQUIREMENTS

Operating		
Neighborhood Resources	\$	0.092
Transportation		28.119
General Expense		0.159
Outside Agencies		0.102
Debt Service		<u>2.137</u>
Total Operating		30.609
Capital		
Neighborhood Resources		1.700
Transportation		<u>9.858</u>
Total Capital		<u>11.558</u>
TOTAL REQUIREMENTS	\$	<u><u>42.167</u></u>

SCHEDULE IX

MISCELLANEOUS NON-FEDERAL GRANTS

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Other Grants	\$	<u>7.709</u>
Total Revenues		<u>7.709</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>7.709</u></u>

REQUIREMENTS

Operating		
City Attorney	\$	0.155
City Court		0.362
Community Services		0.500
Fire		0.350
Library		0.500
Parks and Recreation		0.375
Police		1.098
Solid Waste Management		0.410
Transportation		0.350
Historic Preservation Office		0.210
Office of Economic Development		0.035
Operations		1.500
General Expense		<u>0.286</u>
Total Operating	\$	6.131
Capital		
Library		0.150
Parks and Recreation		0.700
Transportation		<u>0.728</u>
Total Capital		<u>1.578</u>
TOTAL REQUIREMENTS	\$	<u><u>7.709</u></u>

SCHEDULE X

COMMUNITY DEVELOPMENT BLOCK GRANT SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Federal Grant	\$	<u>13.094</u>
Total Revenues		<u>13.094</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>13.094</u></u>

REQUIREMENTS

Operating		
Community Services	\$	11.277
Neighborhood Resources		0.370
Office of Economic Development		0.125
Debt Service		<u>0.047</u>
Total Operating	\$	11.819
Capital		
Neighborhood Resources		<u>1.275</u>
Total Capital		<u>1.275</u>
TOTAL REQUIREMENTS	\$	<u><u>13.094</u></u>

SCHEDULE XI

PUBLIC HOUSING FUNDS

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
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Revenues

Conventional	\$	6.041
Section 8		23.965
Miscellaneous Federal Housing		4.995
Comprehensive Housing		3.516
HOME		7.435
HOPE VI		<u>5.351</u>

Total Revenues		<u>51.303</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>51.303</u></u>
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REQUIREMENTS

Operating

Community Services	\$	47.983
Debt Service		<u>0.149</u>

Total Operating	\$	48.132
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Capital

Community Services		<u>3.171</u>
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Total Capital		<u>3.171</u>
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TOTAL REQUIREMENTS	\$	<u><u>51.303</u></u>
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SCHEDULE XII

TRANSPORTATION EFFICIENCY ACT SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Federal Grants	<u>\$</u>	<u>34.251</u>
Total Revenues		<u>34.251</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>\$</u>	<u>34.251</u>

REQUIREMENTS

Operating		
Transportation	<u>\$</u>	<u>0.673</u>
Total Operating	\$	0.673
Capital		
Transportation	<u>33.578</u>	
Total Capital		<u>33.578</u>
TOTAL REQUIREMENTS	<u>\$</u>	<u>34.251</u>

SCHEDULE XIII

MISCELLANEOUS FEDERAL GRANTS

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Federal Grants	\$	<u>11.604</u>
Total Revenues		<u>11.604</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>11.604</u></u>

REQUIREMENTS

Operating		
City Attorney	\$	0.358
Community Services		1.652
Fire		0.300
Parks and Recreation		0.664
Police		6.330
Comprehensive Planning Task Force		0.080
Environmental Management		0.200
Historic Preservation Office		0.020
Office of Economic Development		0.500
Operations		<u>1.500</u>
TOTAL REQUIREMENTS	\$	<u><u>11.604</u></u>

SCHEDULE XIV

GENERAL OBLIGATION DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Secondary Property Tax	<u>\$</u>	<u>20.756</u>
Total Revenues		<u>20.756</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>\$</u>	<u>20.756</u>

REQUIREMENTS

Operating		
Debt Service	<u>\$</u>	<u>20.756</u>
TOTAL REQUIREMENTS	<u>\$</u>	<u>20.756</u>

SCHEDULE XV

STREET AND HIGHWAY DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Grants and Shared Taxes	<u>\$</u>	<u>16.035</u>
Total Revenues		<u>16.035</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>\$</u>	<u>16.035</u>

REQUIREMENTS

Operating		
Debt Service	<u>\$</u>	<u>16.035</u>
TOTAL REQUIREMENTS	<u>\$</u>	<u>16.035</u>

SCHEDULE XVI

GENERAL OBLIGATION BONDS FUND SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	30.749
Revenues		
General Obligation Bonds	\$	<u>25.000</u>
Total Revenues		25.000
Estimated Ending Fund Balance June 30, 2003		<u>(1.400)</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>54.349</u></u>

REQUIREMENTS

Capital		
Fire	\$	6.315
Library		1.500
Parks and Recreation		18.013
Police		1.345
Solid Waste Management		1.952
Transportation		20.270
Environmental Management		4.240
General Expense		<u>0.714</u>
TOTAL REQUIREMENTS	\$	<u><u>54.349</u></u>

SCHEDULE XVII

STREET AND HIGHWAY REVENUE BONDS FUNDS SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	6.874
Revenues		
Street and Highway Revenue Bonds	<u>\$</u>	<u>7.000</u>
Total Revenues		7.000
Estimated Ending Fund Balance June 30, 2003		<u>(0.449)</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>\$</u>	<u>13.425</u>

REQUIREMENTS

Capital		
Transportation	<u>\$</u>	<u>13.425</u>
TOTAL REQUIREMENTS	<u>\$</u>	<u>13.425</u>

SCHEDULE XVIII

GOLF COURSE FUND

SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002		\$ -0-
Revenues		
Golf Course	\$ 8.263	
Clubhouse	1.290	
Certificates of Participation	0.457	
Other	<u>0.702</u>	
Total Revenues		<u>10.712</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u><u>\$ 10.712</u></u>

REQUIREMENTS

Operating		
Golf	<u>\$ 9.901</u>	
Total Operating		\$ 9.901
Capital		
Golf	<u>0.811</u>	
Total Capital		<u>0.811</u>
TOTAL REQUIREMENTS		<u><u>\$ 10.712</u></u>

SCHEDULE XIX

WATER REVENUE AND OPERATIONS FUND SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003 (Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	7.579
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Revenues

Metered Water Sales	\$	94.256
Sales Tax		7.123
Connection Fees		3.123
Sewer Billing Services		1.448
Interest Earnings		1.008
Central Arizona Project Reserve Fund		0.956
Miscellaneous Other Revenues		<u>10.146</u>

Total Revenues		118.060
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Estimated Ending Fund Balance June 30, 2003		<u>(8.360)</u>
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TOTAL AVAILABLE FOR APPROPRIATION	\$	<u><u>117.279</u></u>
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REQUIREMENTS

Operating

Water	\$	77.218
Debt Service		<u>26.092</u>

Total Operating	\$	103.310
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Capital

Water		<u>13.969</u>
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Total Capital		<u>13.969</u>
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TOTAL REQUIREMENTS	\$	<u><u>117.279</u></u>
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SCHEDULE XX

WATER REVENUE BONDS FUNDS
SUMMARY OF REVENUES AND EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2003
(Millions of Dollars)

RESOURCES

Estimated Beginning Fund Balance July 1, 2002	\$	-0-
Revenues		
Water Revenue Bonds	<u>\$</u>	<u>44.265</u>
Total Revenues		<u>44.265</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>\$</u>	<u>44.265</u>

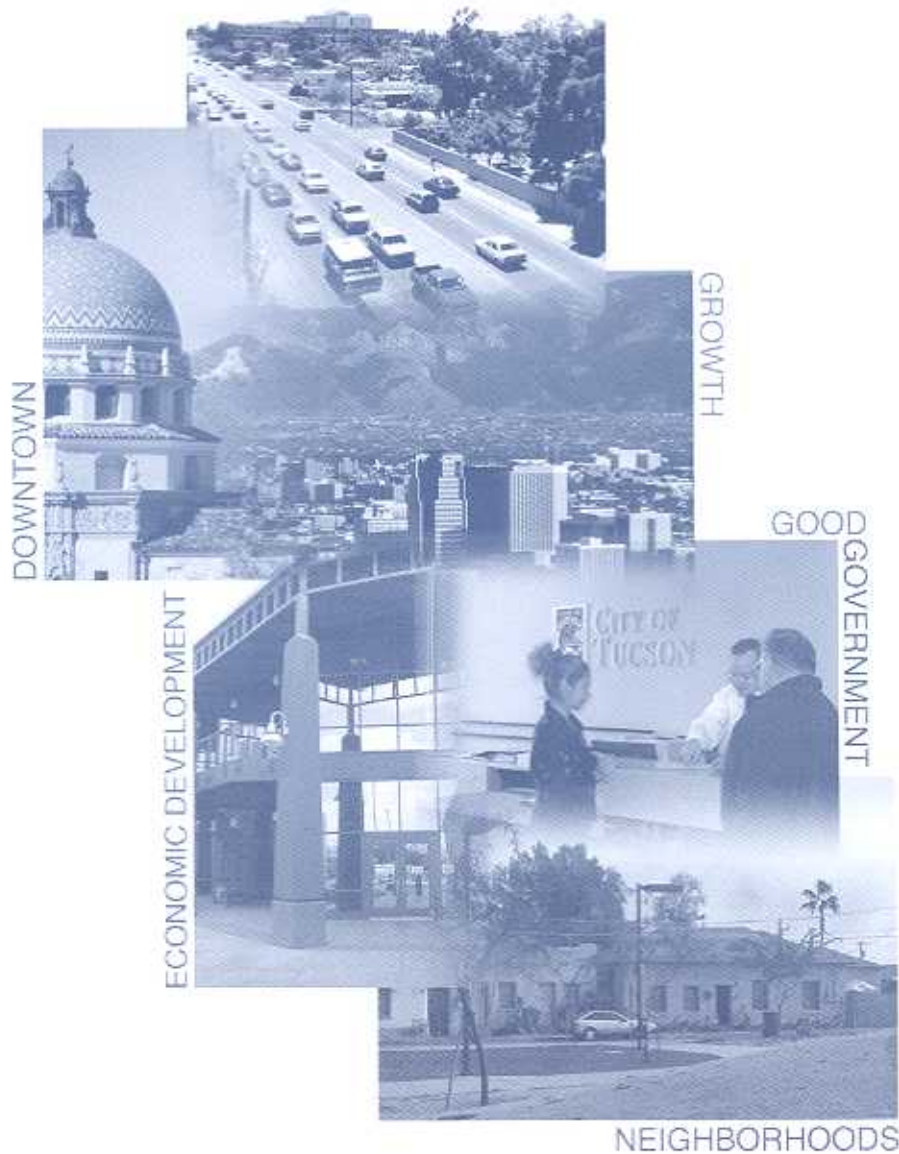
REQUIREMENTS

Capital		
Water	<u>\$</u>	<u>44.265</u>
TOTAL REQUIREMENTS	<u>\$</u>	<u>44.265</u>

Section F

Capital Budget Summary

TRANSPORTATION



CAPITAL BUDGET SUMMARY

This section summarizes the Approved Five-Year Capital Improvement Program (CIP) for Fiscal Years 2003 through 2007. The CIP is focused on maintaining and improving the economic, environmental, and social characteristics of the area so residents can lead healthy, productive, and enjoyable lives.

Changes to the Approved CIP

The five-year CIP submitted as part of the recommended budget totals \$1.2 billion, which is \$154.8 million less than the five-year CIP approved by the Mayor and Council on March 4. Subsequent to that approval the following changes were made:

- The Enhanced Transportation program is no longer included (\$168.1 million) due to the failure of Propositions 100 and 400.
- Revisions added \$13.3 million: \$11 million in funds carried forward for projects not completed in Fiscal Year 2002 and \$2.3 million for revisions to the Tucson Water program.
- The Back to Basics project was moved from the City Manager's Office to the newly established Department of Neighborhood Resources.

PROGRAM SUMMARY

Capital improvement projects are assigned to city departments to ensure proper project management. The following two tables summarize CIP

expenditures by budget category and by funding source. For more detailed summaries, see Tables I and II on pages F-5 and F-7.

Five-Year CIP Summary of Expenditures (\$000s)				
	Year 1 FY 2003	Year 2 FY 2004	Five-Year Total	Five-Year Funded
Neighborhood Services	\$ 46,842.9	\$ 37,409.0	\$ 283,350.9	\$ 107,405.9
Environment and Development	188,986.7	128,588.0	678,465.7	487,741.7
Strategic Initiatives	70.0	-0-	1,436.0	70.0
Support Services	7,000.6	8,222.0	122,390.6	31,150.6
Non-Departmental	15,727.2	4,000.0	85,727.2	19,727.2
City-Funded Subtotal	\$ 258,627.4	\$ 178,219.0	\$ 1,171,370.4	\$ 646,095.4
Non-City Funded	2,184.0	563.0	5,197.0	5,197.0
Program Total	\$ 260,811.4	\$ 178,782.0	\$ 1,176,567.4	\$ 651,292.4

Five-Year CIP Summary of Funding Sources (\$000s)			
	Year 1 FY 2003	Year 2 FY 2004	Five-Year Total
City Bonds	\$ 111,857.0	\$ 73,458.0	\$ 200,305.0
Federal Grants	61,972.5	50,746.0	193,995.5
Recurring Revenues	47,340.8	32,538.0	176,832.8
Non-Bonded Debt	16,259.7	12,222.0	44,409.7
Reserves	12,788.7	4,541.0	17,329.7
Pima County Bonds	6,648.5	4,014.0	10,762.5
Other Miscellaneous Funds	1,760.2	700.0	2,460.2
City-Funded Subtotal	\$ 258,627.4	\$ 178,219.0	\$ 646,095.4
Non-City Funds	2,184.0	563.0	5,197.0
Funded Program Subtotal	\$ 260,811.4	\$ 178,782.0	\$ 651,292.4
Unfunded	-0-	-0-	525,275.0
Program Total	\$ 260,811.4	\$ 178,782.0	\$ 1,176,567.4

DEPARTMENT PROGRAMS

The following section summarizes the department programs within each budget category. Further detail on department programs and specific projects is available in Volume III, Approved Five-Year Capital Improvement Program.

Neighborhood Services

Projects in the Neighborhood Services category include those managed by City Court, Community Services, Fire, Library, Neighborhood Resources, Parks and Recreation, Tucson City Golf, and Police.

City Court: There is a single project in City Court's five-year program of \$55.5 million, construction of a new court facility that would expand City Court's capacity to 19 courtrooms. This project is unfunded.

Community Services: The Community Services five-year program of \$12.9 million contains three funded projects totaling \$10.9 million and one unfunded project of \$2 million. The funded projects include federal grants for completion of the South Park and the Santa Rosa Neighborhood Center projects, and for the implementation of the Robert F. Kennedy Homes Revitalization project. Unfunded is a project to develop an affordable housing program using city funds to leverage other public and private funding.

Fire Department: Fire's five-year program of \$30.2 million contains three funded projects totaling \$13.9 million and three unfunded projects totaling \$16.3 million. The funded projects include completion of Fire Station 6, three new fire stations, an upgrade to the mobile data terminals placed in fire vehicles, and improvements to support facilities. Unfunded are improvements to and expansion of the Public Safety Training Academy and an additional fire station to serve annexed areas.

Library: The five-year program for Library of \$25.7 million is only 10% funded. The three funded projects, totaling \$2.5 million, include completion of the George Miller-Golf Links Library expansion, construction of the Quincie Douglas Library, and the city's contribution to the Midtown Library and Learning Center, which is a Pima County bond project. The unfunded projects of \$23.2 million include improvements at the Main Library Plaza, replacement of the Wilmot Library, and a new branch library in the Rita Ranch/Vail area. This unfunded amount will likely increase in future CIPs when the results of the Library's new facility plan become incorporated into the capital budgeting process.

Neighborhood Resources: The Neighborhood Resources program contains the Back to Basics project, with a five-year total of \$28 million for infrastructure improvements in targeted neighborhoods. The program is fully funded from the General Fund, the Highway User Revenue Fund, and the Community Development Block Grant Fund. The planning and design of new neighborhood projects will be funded in the first year and construction in the second year. This phasing reflects the spending patterns that have been experienced with on-going projects.

Parks and Recreation: Park's five-year CIP of \$103.1 million contains \$92.3 million for the Parks Development program and \$10.8 million for the Zoo Improvements program. Both programs reflect recently completed master plans. The Parks Development program is only 45% funded and the Zoo Improvements program is only 12% funded. Funding is primarily from the city's 2000 bond authorization and Pima County's bond program. These funding sources will be exhausted in Fiscal Year 2005.

Tucson City Golf: Golf's \$1.4 million five-year program contains only one project, improvements to the Fred Enke Golf Course. This project is fully funded from the Golf Utility's fees and financing from certificates of participation that will be repaid from those fees.

Police: The five-year program for Police totals \$26.6 million: \$7.5 million funded and \$19.1 million unfunded. Two funded projects provide for a new police substation and for land acquisition at the Public Safety Training Academy and improvements to other facilities. Unfunded are two new police substations to support growth in the community and a new facility to house forensics-related functions that have outgrown their current location at Headquarters.

Environment and Development

The Environment and Development category contains projects managed by the following: Solid Waste Management, Transportation, Tucson Water, and Environmental Management.

Solid Waste Management: The department's five-year program totals \$50.6 million, with only \$13.3 million funded. Projects to close the Mullins and Irvington Landfills are included in the funded total, allowing the city to meet near-term regulatory mandates. Among the \$37.3 million unfunded program is \$4 million in projects for other mandated landfill closure and post-closure requirements and

\$10 million for the construction of new lined cells at Los Reales, the city's only operating landfill.

Transportation: The five-year Transportation program of \$373.4 million includes five program areas: Streets (\$135 million), Drainage (\$62.9 million), Street Lighting (\$22.3 million), Traffic Signals (\$17.4 million), and Public Transit (\$135.8 million). Eighty percent of the total five-year program is funded.

Tucson Water: Tucson Water's five-year program of \$242.6 million includes \$215.3 million for potable water system improvements and \$27.3 million for reclaimed water system improvements. Thirty percent, or \$72.9 million, of the five-year program is unfunded. A new bond authorization will be needed for these unfunded projects.

Environmental Management: The five-year program of \$17.1 million for Environmental Management's investigation and remediation of environmental contamination is 82% funded. Additional city funds were freed up for this five-year program when the department was able to secure state funds for the remediation of the Broadway-Pantano site. Most of Environmental Management's ten projects are a combination of funded and unfunded, with the first two years of the program—Fiscal Years 2003 and 2004—fully funded.

Strategic Initiatives

The Strategic Initiatives category contains projects managed by the Tucson Convention Center.

Tucson Convention Center: The five-year program of the Tucson Convention Center (TCC) contains three projects totaling \$1.4 million. The only funded project is the remodeling of the box office for \$70,000.

Support Services

The Support Services category contains projects managed by the Department of Operations.

Operations: This five-year program of five projects totals \$122.4 million. The Emergency Communications System and Facility accounts for \$94 million. However, only \$31 million in funding has been identified for it. A funded project to relocate the downtown fiber optic hub is being carried forward from Fiscal Year 2002. The other three projects—one communications site for the southeast and two service centers—are totally unfunded.

Non-Departmental

The Non-Departmental category contains projects budgeted as part of General Expense.

General Expense: The five-year program of \$85.7 million for General Expense contains three funded projects totaling \$19.7 million and one unfunded

project of \$66 million. The funded projects are the Midtown Multipurpose Facility, the renovation or relocation of the Mayor and Council Chambers, and the Starr Pass parking garage. Unfunded is budget capacity for future building projects, such as a new city hall or other multipurpose centers.

ATTACHED TABLES

Table I	Five-Year Capital Improvement Program Summary by Department
Table II	Five-Year Capital Improvement Program Summary by Funding Source
Table III	Five-Year Capital Improvement Program Summary Operating Cost Impact on Recurring Revenue
Table IV	Five-Year Capital Improvement Program Summary Estimated Inflationary Impact

TABLE I
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY DEPARTMENT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
Neighborhood Services	26,938.6	19,904.3	46,842.9	37,409.0	36,220.0	92,013.0	70,866.0	283,350.9
City Court	-	-	-	-	6,483.0	23,476.0	25,507.0	55,466.0
Community Services	40.0	3,131.0	3,171.0	3,445.0	5,993.0	313.0	-	12,922.0
Fire	4,944.1	2,961.0	7,905.1	5,998.0	4,121.0	12,179.0	-	30,203.1
Library	1,650.0	-	1,650.0	820.0	1,200.0	8,595.0	13,390.0	25,655.0
Neighborhood Resources	4,480.0	1,120.0	5,600.0	5,600.0	5,600.0	5,600.0	5,600.0	28,000.0
Parks and Recreation	14,462.7	11,898.4	26,361.1	14,862.0	10,938.0	25,549.0	25,412.0	103,122.1
Tucson City Golf	456.8	353.9	810.7	592.0	-	-	-	1,402.7
Police	905.0	440.0	1,345.0	6,092.0	1,885.0	16,301.0	957.0	26,580.0
Environment and Development	51,900.2	137,086.5	188,986.7	128,588.0	120,419.0	139,158.0	101,314.0	678,465.7
Solid Waste Management	1,801.1	4,900.0	6,701.1	4,941.0	9,468.0	27,304.0	2,211.0	50,625.1
Transportation	31,486.3	84,335.5	115,821.8	71,182.0	59,916.0	64,297.0	56,941.0	368,157.8
Tucson Water	13,693.0	44,541.0	58,234.0	48,311.0	48,650.0	46,047.0	41,362.0	242,604.0
Environmental Management	4,919.8	3,310.0	8,229.8	4,154.0	2,385.0	1,510.0	800.0	17,078.8
Strategic Initiatives	70.0	-	70.0	-	1,366.0	-	-	1,436.0
Tucson Convention Center	70.0	-	70.0	-	1,366.0	-	-	1,436.0
Support Services	6,150.6	850.0	7,000.6	8,222.0	30,148.0	29,593.0	47,427.0	122,390.6
Operations	6,150.6	850.0	7,000.6	8,222.0	30,148.0	29,593.0	47,427.0	122,390.6
Non-Departmental	6,884.9	8,842.3	15,727.2	4,000.0	22,000.0	22,000.0	22,000.0	85,727.2
General Expense	6,884.9	8,842.3	15,727.2	4,000.0	22,000.0	22,000.0	22,000.0	85,727.2
City Total	91,944.3	166,683.1	258,627.4	178,219.0	210,153.0	282,764.0	241,607.0	1,171,370.4

TABLE I
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY DEPARTMENT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2003			APPROVED YEAR 2 FY 2004	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL		YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Non-City Funded	874.0	1,310.0	2,184.0	563.0	340.0	1,750.0	360.0	5,197.0
Special Assessments	874.0	1,310.0	2,184.0	563.0	340.0	1,750.0	360.0	5,197.0
Total	92,818.3	167,993.1	260,811.4	178,782.0	210,493.0	284,514.0	241,967.0	1,176,567.4

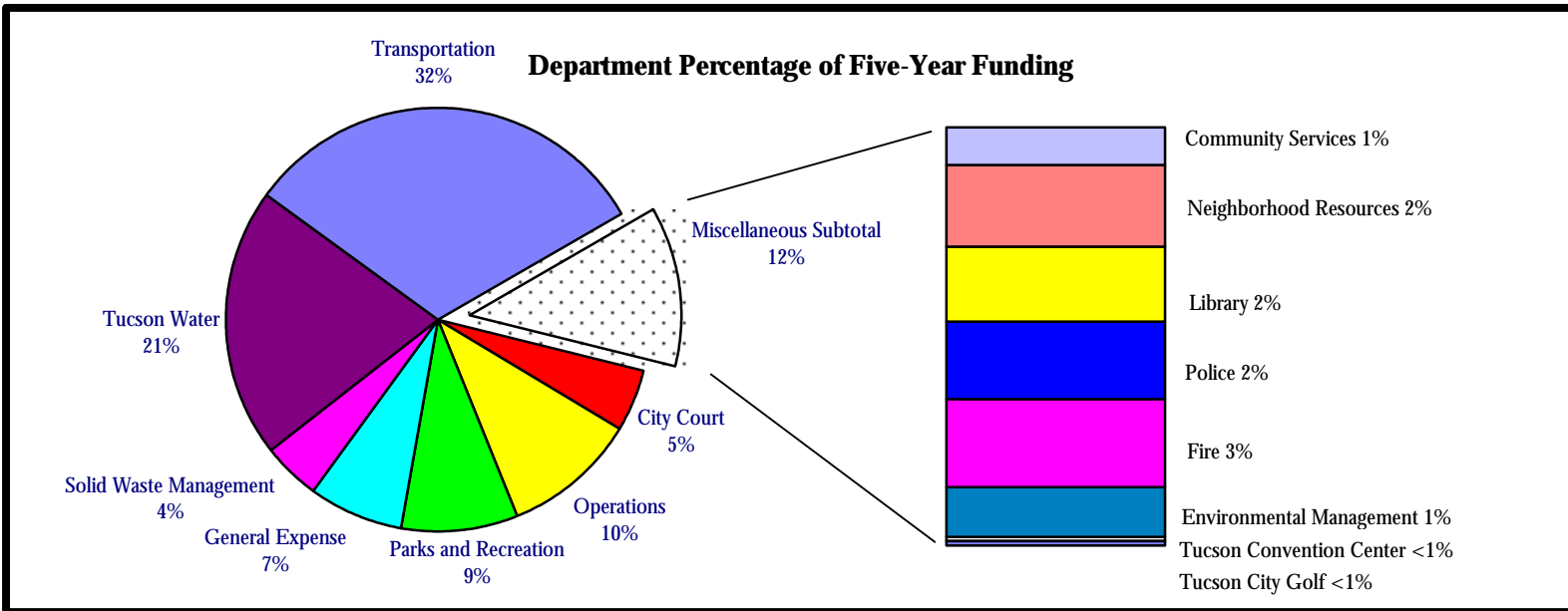


TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2003			APPROVED PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Recurring Revenues	15,269.8	32,071.0	47,340.8	32,538.0	28,844.0	32,352.0	35,758.0	176,832.8
General Fund	3,250.6	1,058.0	4,308.6	3,162.0	3,165.0	3,270.0	3,275.0	17,180.6
Convention Center Fund	70.0	-	70.0	-	-	-	-	70.0
Highway User Revenue Fund	3,890.3	7,668.0	11,558.3	3,691.0	3,476.0	3,075.0	3,075.0	24,875.3
Capital Contributions and Agreements	6,793.8	7,041.0	13,834.8	6,615.0	2,815.0	3,505.0	5,517.0	32,286.8
Mass Transit - General Fund Contribution	1,147.2	2,099.0	3,246.2	2,159.0	1,977.0	2,371.0	1,732.0	11,485.2
Golf Course Fund	117.9	236.0	353.9	592.0	-	-	-	945.9
Water Revenue and Operations Fund	-	13,959.0	13,959.0	16,309.0	17,401.0	20,121.0	22,149.0	89,939.0
Central Arizona Project Reserve Fund	-	10.0	10.0	10.0	10.0	10.0	10.0	50.0
Bonds	45,896.0	65,961.0	111,857.0	73,458.0	14,535.0	376.0	79.0	200,305.0
General Obligation Bonds	29,309.2	24,858.0	54,167.2	35,749.0	7,736.0	310.0	79.0	98,041.2
Street and Highway User Revenue Bonds	2,893.8	10,531.0	13,424.8	5,717.0	3,316.0	66.0	-	22,523.8
Water Infrastructure Finance Authority Bonds	4,541.0	6,401.0	10,942.0	2,500.0	-	-	-	13,442.0
Water Revenue Bonds	9,152.0	24,171.0	33,323.0	29,492.0	3,483.0	-	-	66,298.0

TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2003			APPROVED PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Federal Grants	10,157.0	51,815.5	61,972.5	50,746.0	25,537.0	33,039.0	22,701.0	193,995.5
Mass Transit - Federal Grants	9,097.0	14,851.5	23,948.5	24,494.0	18,736.0	18,949.0	11,785.0	97,912.5
Federal Highway Administration Funds	-	33,578.0	33,578.0	21,532.0	1,533.0	12,502.0	9,641.0	78,786.0
Community Development Block Grant	1,020.0	255.0	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	6,375.0
Miscellaneous Federal Grants	40.0	3,131.0	3,171.0	3,445.0	3,993.0	313.0	-	10,922.0
Other	20,621.5	16,835.6	37,457.1	21,477.0	15,432.0	596.0	-	74,962.1
Certificates of Participation	2,545.5	7,864.2	10,409.7	4,000.0	-	-	-	14,409.7
Debt Financing	5,000.0	850.0	5,850.0	8,222.0	15,332.0	596.0	-	30,000.0
Pima County Bonds	5,193.1	1,455.4	6,648.5	4,014.0	100.0	-	-	10,762.5
Environmental and Solid Waste Mandate Reserves	1,268.7	4,870.0	6,138.7	4,541.0	-	-	-	10,679.7
Restricted Trust Reserves	5,619.0	1,031.0	6,650.0	-	-	-	-	6,650.0
Miscellaneous Non-Federal Grants	878.0	700.0	1,578.0	700.0	-	-	-	2,278.0
Bond Interest	117.2	65.0	182.2	-	-	-	-	182.2
Total Funded	91,944.3	166,683.1	258,627.4	178,219.0	84,348.0	66,363.0	58,538.0	646,095.4
Unfunded	-	-	-	-	125,805.0	216,401.0	183,069.0	525,275.0
Unfunded Requirements	-	-	-	-	125,805.0	216,401.0	183,069.0	525,275.0
City Total	91,944.3	166,683.1	258,627.4	178,219.0	210,153.0	282,764.0	241,607.0	1,171,370.4

TABLE II
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
BY FUNDING SOURCE
(\$000s)

SOURCE OF FUNDS	ADOPTED FISCAL YEAR 2003			APPROVED YEAR 2 FY 2004	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL		YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Non-City Funded	874.0	1,310.0	2,184.0	563.0	340.0	1,750.0	360.0	5,197.0
Special Assessments	874.0	1,310.0	2,184.0	563.0	340.0	1,750.0	360.0	5,197.0
Total	92,818.3	167,993.1	260,811.4	178,782.0	210,493.0	284,514.0	241,967.0	1,176,567.4

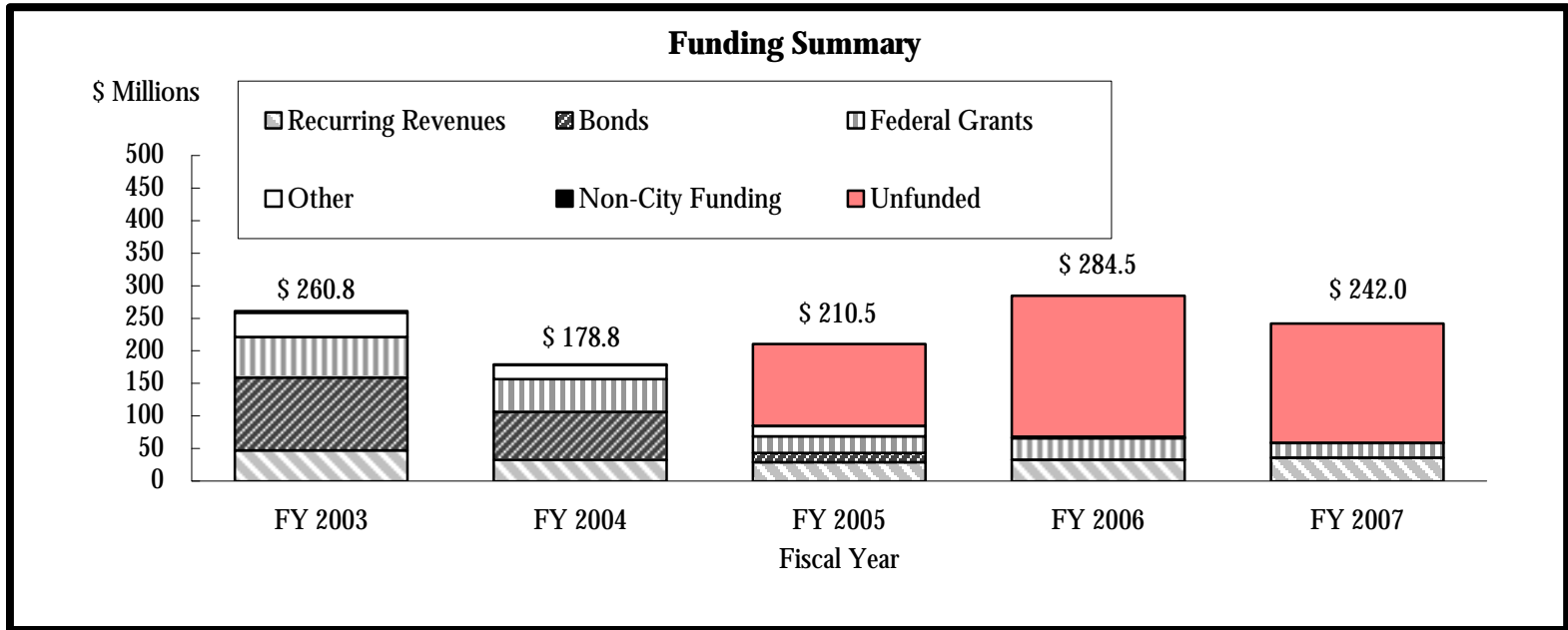


TABLE III
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
OPERATING COST IMPACT ON RECURRING REVENUE
(\$000s)

DEPARTMENT	ADOPTED	APPROVED PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	FISCAL YEAR 2003	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Neighborhood Services	1,052.2	2,650.9	11,015.0	14,322.3	14,695.6	43,736.0
Fire	991.2	1,718.7	6,573.5	9,239.3	9,594.4	28,117.1
Library	-	699.2	1,205.8	1,223.3	1,241.5	4,369.8
Parks and Recreation	61.0	233.0	3,153.5	3,777.5	3,777.5	11,002.5
Police	-	-	82.2	82.2	82.2	246.6
Environment and Development	8,334.0	10,547.1	12,497.9	13,030.5	13,704.5	58,114.0
Solid Waste Management	-	-	30.0	30.0	30.0	90.0
Transportation	-	(5.9)	1,368.9	1,328.5	1,334.5	4,026.0
Tucson Water	7,404.0	9,583.0	9,919.0	10,492.0	11,160.0	48,558.0
Environmental Management	930.0	970.0	1,180.0	1,180.0	1,180.0	5,440.0
Non-Departmental	-	252.0	252.0	252.0	252.0	1,008.0
General Expense	-	252.0	252.0	252.0	252.0	1,008.0
Total before Debt Service	9,386.2	13,450.0	23,764.9	27,604.8	28,652.1	102,858.0

TABLE III
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
OPERATING COST IMPACT ON RECURRING REVENUE
(\$000s)

DEPARTMENT	ADOPTED	APPROVED PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	FISCAL YEAR 2003	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Debt Service	4,119.0	10,811.6	16,211.7	22,765.6	24,663.9	78,571.8
Certificates of Participation	2,375.0	3,893.7	4,617.9	6,888.1	6,887.4	24,662.1
General Obligation Bonds	-	2,179.6	4,359.2	6,538.8	7,321.8	20,399.4
Street and Highway User Revenue Bonds	-	610.3	1,220.6	1,743.7	1,743.7	5,318.3
Water Revenue Bonds	1,744.0	4,128.0	6,014.0	7,595.0	8,711.0	28,192.0
Total	13,505.2	24,261.6	39,976.6	50,370.4	53,316.0	181,429.8

Assumptions for new bond sales:

1. Sales of bonds are spread over the approved program period based on the capital improvement program. Actual sales will depend on project needs, assessed valuation, street and highway user revenues, water revenues, and interest rates.
2. General Obligation Bonds issued after July 2001 are estimated to be sold at 6.5% interest for 20 year terms.
3. Street and Highway User Revenue Bonds sold in June 2001 have a 4.79% interest rate for a 20 year term; for sales after July 2001, the assumed rate is 6.5% for 20 year terms.
4. Water Revenue Bond debt service estimates are from Tucson Water's approved five-year financial plan. They include sales for the voter approved 2000 bond program and for a future bond program in 2004 for projects included in this CIP as unfunded.

TABLE IV
FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY
ESTIMATED INFLATIONARY IMPACT
(\$000s)

DEPARTMENT	ADOPTED FISCAL YEAR 2003	APPROVED PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
		YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Neighborhood Services	-	1,087.5	2,078.8	7,808.8	7,903.3	18,878.4
City Court	-	-	372.0	1,992.0	2,844.0	5,208.0
Community Services	-	100.0	344.5	27.0	-	471.5
Fire	-	174.7	236.2	1,033.8	-	1,444.7
Library	-	24.0	68.5	729.0	1,493.0	2,314.5
Neighborhood Resources	-	163.0	322.0	475.0	625.0	1,585.0
Parks and Recreation	-	431.9	627.6	2,168.0	2,834.3	6,061.8
Tucson City Golf	-	16.9	-	-	-	16.9
Police	-	177.0	108.0	1,384.0	107.0	1,776.0
Environment and Development	-	3,769.7	6,933.6	11,958.0	11,337.5	33,998.8
Solid Waste Management	-	144.0	542.5	2,316.5	247.0	3,250.0
Transportation	-	2,090.7	3,458.4	5,604.5	6,388.3	17,541.9
Tucson Water	-	1,413.5	2,794.7	3,908.5	4,612.7	12,729.4
Environmental Management	-	121.5	138.0	128.5	89.5	477.5
Strategic Initiatives	-	-	78.0	-	-	78.0
Tucson Convention Center	-	-	78.0	-	-	78.0
Support Services	-	239.0	1,730.0	2,510.0	5,289.0	9,768.0
Operations	-	239.0	1,730.0	2,510.0	5,289.0	9,768.0
Non-Departmental	-	116.5	1,263.0	1,867.0	2,453.0	5,699.5
General Expense	-	116.5	1,263.0	1,867.0	2,453.0	5,699.5
Total	-	5,212.7	12,083.4	24,143.8	26,982.8	68,422.7

Note: Fiscal Year 2003 is the base year and is not inflated.

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

City Court

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
New City Court Building	-0-	-0-	-0-	-0-	6,483.0	23,476.0	25,507.0	55,466.0
TOTAL	-0-	-0-	-0-	-0-	6,483.0	23,476.0	25,507.0	55,466.0
<u>Source of Funds</u>								
Unfunded Requirements	-0-	-0-	-0-	-0-	6,483.0	23,476.0	25,507.0	55,466.0
TOTAL	-0-	-0-	-0-	-0-	6,483.0	23,476.0	25,507.0	55,466.0
Inflation Adjustment			-0-	-0-	372.0	1,992.0	2,844.0	5,208.0
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-	-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Community Services
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Affordable Housing Development	-0-	-0-	-0-	-0-	2,000.0	-0-	-0-	2,000.0
Robert F. Kennedy Homes Revitalization	-0-	545.0	545.0	859.0	1,406.0	313.0	-0-	3,123.0
Santa Rosa Neighborhood Center	40.0	-0-	40.0	-0-	-0-	-0-	-0-	40.0
South Park HOPE VI - Acquisition	-0-	2,586.0	2,586.0	2,586.0	2,587.0	-0-	-0-	7,759.0
TOTAL	40.0	3,131.0	3,171.0	3,445.0	5,993.0	313.0	-0-	12,922.0
Source of Funds								
Comprehensive Housing Grant	-0-	70.0	70.0	140.0	280.0	70.0	-0-	560.0
HOPE VI	40.0	3,061.0	3,101.0	3,305.0	3,713.0	243.0	-0-	10,362.0
Unfunded Requirements	-0-	-0-	-0-	-0-	2,000.0	-0-	-0-	2,000.0
TOTAL	40.0	3,131.0	3,171.0	3,445.0	5,993.0	313.0	-0-	12,922.0
Inflation Adjustment			-0-	100.0	344.5	27.0	-0-	471.5
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-	-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Fire (\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Fire Station 6 - Public Safety Training Academy	740.0	-0-	740.0	-0-	-0-	-0-	-0-	740.0
Mobile Data Terminal Upgrades	850.0	-0-	850.0	-0-	-0-	-0-	-0-	850.0
New Fire Station - Annexations	-0-	-0-	-0-	-0-	1,551.0	3,020.0	-0-	4,571.0
New Fire Stations - Annexations and Infill	2,491.2	2,906.0	5,397.2	4,833.0	-0-	-0-	-0-	10,230.2
Public Safety Training Academy Expansion	-0-	-0-	-0-	-0-	2,415.0	8,619.0	-0-	11,034.0
Public Safety Training Academy Road Improvements	-0-	-0-	-0-	-0-	155.0	540.0	-0-	695.0
Support Facility Improvements	862.9	55.0	917.9	1,165.0	-0-	-0-	-0-	2,082.9
TOTAL	4,944.1	2,961.0	7,905.1	5,998.0	4,121.0	12,179.0	-0-	30,203.1
Source of Funds								
General Fund - Certificates of Participation	1,590.0	-0-	1,590.0	-0-	-0-	-0-	-0-	1,590.0
2000 General Obligation Bonds Series B	3,354.1	2,961.0	6,315.1	5,998.0	-0-	-0-	-0-	12,313.1
Unfunded Requirements	-0-	-0-	-0-	-0-	4,121.0	12,179.0	-0-	16,300.0
TOTAL	4,944.1	2,961.0	7,905.1	5,998.0	4,121.0	12,179.0	-0-	30,203.1
Inflation Adjustment			-0-	174.7	236.2	1,033.8	-0-	1,444.7
Annual Operating Cost			991.2	1,718.7	6,573.5	9,239.3	9,594.4	28,117.1

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Library

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
George Miller-Golf Links Library Expansion	650.0	-0-	650.0	-0-	-0-	-0-	-0-	650.0
Main Library Plaza Improvements	-0-	-0-	-0-	-0-	500.0	500.0	500.0	1,500.0
Midtown Library and Learning Center	600.0	-0-	600.0	-0-	-0-	-0-	-0-	600.0
Quincie Douglas Library	400.0	-0-	400.0	820.0	-0-	-0-	-0-	1,220.0
Rita Ranch/Vail Area Library	-0-	-0-	-0-	-0-	700.0	7,165.0	-0-	7,865.0
Wilmot Library Replacement	-0-	-0-	-0-	-0-	-0-	930.0	12,890.0	13,820.0
TOTAL	1,650.0	-0-	1,650.0	820.0	1,200.0	8,595.0	13,390.0	25,655.0
<u>Source of Funds</u>								
Miscellaneous Non-Federal Grants	150.0	-0-	150.0	-0-	-0-	-0-	-0-	150.0
2000 General Obligation Bonds Series A	1,500.0	-0-	1,500.0	820.0	-0-	-0-	-0-	2,320.0
Unfunded Requirements	-0-	-0-	-0-	-0-	1,200.0	8,595.0	13,390.0	23,185.0
TOTAL	1,650.0	-0-	1,650.0	820.0	1,200.0	8,595.0	13,390.0	25,655.0
Inflation Adjustment			-0-	24.0	68.5	729.0	1,493.0	2,314.5
Annual Operating Cost			-0-	699.2	1,205.8	1,223.3	1,241.5	4,369.8

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Neighborhood Resources
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007		
Back to Basics Unallocated	4,480.0	1,120.0	5,600.0	5,600.0	5,600.0	5,600.0	5,600.0	28,000.0	
TOTAL	4,480.0	1,120.0	5,600.0	5,600.0	5,600.0	5,600.0	5,600.0	28,000.0	
Source of Funds									
General Fund	2,100.0	525.0	2,625.0	2,625.0	2,625.0	2,625.0	2,625.0	13,125.0	
Highway User Revenue Fund	1,360.0	340.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	8,500.0	
Community Development Block Grant	1,020.0	255.0	1,275.0	1,275.0	1,275.0	1,275.0	1,275.0	6,375.0	
TOTAL	4,480.0	1,120.0	5,600.0	5,600.0	5,600.0	5,600.0	5,600.0	28,000.0	

Inflation Adjustment			-0-	163.0	322.0	475.0	625.0	1,585.0
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-	-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Parks and Recreation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Parks Development	14,230.3	10,794.4	25,024.7	14,862.0	10,938.0	22,078.0	19,412.0	92,314.7
Zoo Improvements	232.4	1,104.0	1,336.4	-0-	-0-	3,471.0	6,000.0	10,807.4
TOTAL	14,462.7	11,898.4	26,361.1	14,862.0	10,938.0	25,549.0	25,412.0	103,122.1
<u>Source of Funds</u>								
Miscellaneous Non-Federal Grants	-0-	700.0	700.0	700.0	-0-	-0-	-0-	1,400.0
Capital Agreements Fund	-0-	1,000.0	1,000.0	800.0	-0-	-0-	-0-	1,800.0
Pima County Bonds	5,193.1	1,455.4	6,648.5	4,014.0	100.0	-0-	-0-	10,762.5
1994 General Obligation Bonds - Interest	97.2	-0-	97.2	-0-	-0-	-0-	-0-	97.2
2000 General Obligation Bonds	9,172.4	8,743.0	17,915.4	9,348.0	1,948.0	-0-	-0-	29,211.4
Unfunded Requirements	-0-	-0-	-0-	-0-	8,890.0	25,549.0	25,412.0	59,851.0
TOTAL	14,462.7	11,898.4	26,361.1	14,862.0	10,938.0	25,549.0	25,412.0	103,122.1
Inflation Adjustment			61.0	431.9	627.6	2,168.0	2,834.3	6,061.8
Annual Operating Cost			61.0	463.0	3,383.5	4,007.5	4,007.5	11,922.5

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Parks and Recreation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
<u>Parks Development</u>								
Adaptive Recreation Center, Phase I	2,635.5	975.0	3,610.5	732.0	732.0	-0-	-0-	5,074.5
Administration and Central District Offices	-0-	-0-	-0-	-0-	-0-	1,109.0	3,934.0	5,043.0
Baseball Fields Development (Adult)	-0-	-0-	-0-	-0-	122.0	671.0	732.0	1,525.0
Baseball Fields Development (Youth)	-0-	-0-	-0-	-0-	-0-	486.0	405.0	891.0
Case Natural Resource Park, Phase II	180.0	-0-	180.0	-0-	-0-	-0-	-0-	180.0
Case Natural Resource Park, Phase III	-0-	-0-	-0-	-0-	-0-	-0-	1,013.0	1,013.0
Catalina High School Track and Field Lighting	278.1	-0-	278.1	-0-	-0-	-0-	-0-	278.1
Cherry Avenue Center, Phase II	-0-	-0-	-0-	-0-	159.0	541.0	-0-	700.0
Christopher Columbus Park, Phase I	953.0	-0-	953.0	985.0	-0-	-0-	-0-	1,938.0
Citywide Neighborhood Park and Recreation Improvements	-0-	-0-	-0-	-0-	1,011.0	1,045.0	1,656.0	3,712.0
Desert Vista/Southwest District Park, Phase I	-0-	500.0	500.0	500.0	-0-	-0-	-0-	1,000.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Parks and Recreation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Eastside Senior Center Recreation Facility	242.3	610.0	852.3	640.0	-0-	-0-	-0-	1,492.3
El Pueblo Center, Phase II	1,293.1	207.0	1,500.1	609.0	500.0	-0-	-0-	2,609.1
Freedom Park Center Improvements, Phase I	1,091.8	135.4	1,227.2	135.0	100.0	-0-	-0-	1,462.2
General Instruments Site Improvements	200.0	-0-	200.0	-0-	-0-	-0-	-0-	200.0
Golf Links Sports Center Parking Improvements	-0-	-0-	-0-	210.0	-0-	-0-	-0-	210.0
Greenways and Natural Resource Areas - Acquisition and Development	131.5	156.0	287.5	625.0	-0-	-0-	-0-	912.5
Hi Corbett Field Parking Garage	-0-	-0-	-0-	-0-	1,500.0	4,500.0	2,800.0	8,800.0
Himmel Park Irrigation Replacement, Phase I	-0-	42.0	42.0	153.0	-0-	-0-	-0-	195.0
Irrigation System Replacement	-0-	-0-	-0-	-0-	530.0	443.0	585.0	1,558.0
Jacobs Park Pool Replacement	88.0	500.0	588.0	997.0	-0-	-0-	-0-	1,585.0
Lake Aeration System Replacement at Lakeside Park	75.0	-0-	75.0	-0-	-0-	-0-	-0-	75.0
Lake Improvements	-0-	-0-	-0-	-0-	125.0	460.0	-0-	585.0
Lighting System Improvements	-0-	-0-	-0-	-0-	470.0	275.0	225.0	970.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Parks and Recreation
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Lincoln Park/William Clements Center, Phase II	1,132.0	800.0	1,932.0	2,663.0	-0-	-0-	-0-	4,595.0
Mansfield Park Irrigation Replacement	220.0	-0-	220.0	-0-	-0-	-0-	-0-	220.0
Mansfield Park Upgrade	-0-	175.0	175.0	75.0	-0-	-0-	-0-	250.0
Miscellaneous Parks Development/Renovations	301.6	308.0	609.6	268.0	260.0	-0-	-0-	1,137.6
Multi-use Paths	-0-	-0-	-0-	-0-	855.0	710.0	710.0	2,275.0
New Comfort Stations	61.4	212.0	273.4	219.0	224.0	-0-	-0-	716.4
North Central Natural Resource Park, Phase I	150.0	-0-	150.0	-0-	-0-	-0-	-0-	150.0
North Central Natural Resource Park, Phase II	-0-	-0-	-0-	-0-	302.0	1,072.0	-0-	1,374.0
Northwest Center, Phase I	986.7	551.0	1,537.7	300.0	200.0	-0-	-0-	2,037.7
Northwest Neighborhood Center, Phase III	-0-	-0-	-0-	-0-	207.0	1,912.0	1,641.0	3,760.0
Oury and Ormsby Centers	-0-	50.0	50.0	-0-	-0-	-0-	-0-	50.0
Palo Verde Little League Lights Replacement	-0-	-0-	-0-	110.0	-0-	-0-	-0-	110.0
Performing Arts Center Renovation	-0-	-0-	-0-	-0-	408.0	1,442.0	-0-	1,850.0
Playground Development	-0-	-0-	-0-	-0-	997.0	847.0	888.0	2,732.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Parks and Recreation
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Playground Equipment Replacement	84.3	85.0	169.3	51.0	32.0	-0-	-0-	252.3
Quincie Douglas Center, Phase II	447.0	2,203.5	2,650.5	107.0	-0-	-0-	-0-	2,757.5
Recreation Center Development	-0-	-0-	-0-	-0-	1,464.0	3,240.0	1,462.0	6,166.0
Reid Park Renovation	170.0	1,320.0	1,490.0	1,000.0	-0-	-0-	-0-	2,490.0
Reuse of Landfill Areas	-0-	-0-	-0-	207.0	-0-	-0-	-0-	207.0
Rillito Park at Columbus Boulevard District Park	322.5	-0-	322.5	1,140.0	-0-	-0-	-0-	1,462.5
Rita Ranch Park, Phase IV	70.0	256.0	326.0	462.0	-0-	-0-	-0-	788.0
Rodeo Grounds Improvements	12.7	250.0	262.7	240.0	-0-	-0-	-0-	502.7
Santa Cruz River Sports Park	807.5	-0-	807.5	1,021.0	-0-	-0-	-0-	1,828.5
Santa Rosa Center Upgrade	700.0	-0-	700.0	-0-	-0-	-0-	-0-	700.0
Soccer Field Development	-0-	-0-	-0-	-0-	446.0	374.0	373.0	1,193.0
Softball Field Development	-0-	-0-	-0-	-0-	294.0	420.0	335.0	1,049.0
Southeast Regional Recreational Amenities (Civano)	-0-	-0-	-0-	-0-	-0-	2,138.0	1,862.0	4,000.0
State Heritage Fund Grants	-0-	700.0	700.0	700.0	-0-	-0-	-0-	1,400.0
Swimming Pool Modifications	-0-	-0-	-0-	-0-	-0-	393.0	791.0	1,184.0
Tucson Diversion Channel Soccer Field	474.5	-0-	474.5	13.0	-0-	-0-	-0-	487.5

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Parks and Recreation
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Udall Park and Center, Phase II	410.8	642.0	1,052.8	600.0	-0-	-0-	-0-	1,652.8
Udall Park Facility Improvements	440.0	-0-	440.0	-0-	-0-	-0-	-0-	440.0
Udall Park Play Field Improvements	271.0	116.5	387.5	100.0	-0-	-0-	-0-	487.5
<u>Zoo Improvements</u>								
Reid Park Zoo - Comfort Stations at Zoo Entrance	146.0	-0-	146.0	-0-	-0-	-0-	-0-	146.0
Reid Park Zoo Entry Improvements	86.4	1,104.0	1,190.4	-0-	-0-	-0-	-0-	1,190.4
Reid Park Zoo Improvements	-0-	-0-	-0-	-0-	-0-	3,471.0	6,000.0	9,471.0
TOTAL	14,462.7	11,898.4	26,361.1	14,862.0	10,938.0	25,549.0	25,412.0	103,122.1

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson City Golf

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR	TOTAL
Fred Enke Golf Course Improvements	456.8	353.9	810.7	592.0	-0-	-0-	-0-		1,402.7
TOTAL	456.8	353.9	810.7	592.0	-0-	-0-	-0-		1,402.7
Source of Funds									
Golf Course Fund	117.9	236.0	353.9	592.0	-0-	-0-	-0-		945.9
Golf Course Fund - Certificates of Participation	338.9	117.9	456.8	-0-	-0-	-0-	-0-		456.8
TOTAL	456.8	353.9	810.7	592.0	-0-	-0-	-0-		1,402.7
Inflation Adjustment			-0-	16.9	-0-	-0-	-0-		16.9
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-		-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Police

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Forensics Building	-0-	-0-	-0-	-0-	983.0	9,117.0	-0-	10,100.0
Land Acquisition and Facilities Improvement	175.0	440.0	615.0	322.0	-0-	-0-	-0-	937.0
Police Substation	730.0	-0-	730.0	5,770.0	-0-	-0-	-0-	6,500.0
Police Substations - Future Growth	-0-	-0-	-0-	-0-	902.0	7,184.0	957.0	9,043.0
TOTAL	905.0	440.0	1,345.0	6,092.0	1,885.0	16,301.0	957.0	26,580.0
Source of Funds								
2000 General Obligation Bonds Series A	175.0	-0-	175.0	-0-	-0-	-0-	-0-	175.0
2000 General Obligation Bonds Series B	730.0	440.0	1,170.0	6,092.0	-0-	-0-	-0-	7,262.0
Unfunded Requirements	-0-	-0-	-0-	-0-	1,885.0	16,301.0	957.0	19,143.0
TOTAL	905.0	440.0	1,345.0	6,092.0	1,885.0	16,301.0	957.0	26,580.0
Inflation Adjustment			-0-	177.0	108.0	1,384.0	107.0	1,776.0
Annual Operating Cost			-0-	-0-	82.2	82.2	82.2	246.6

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Solid Waste Management
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Closed Landfill Gas Mitigation	112.4	-0-	112.4	-0-	-0-	-0-	-0-	112.4
Closed Landfill Improvements	190.0	-0-	190.0	-0-	530.0	273.0	-0-	993.0
Harrison Landfill End Use	-0-	-0-	-0-	-0-	375.0	-0-	-0-	375.0
Household Hazardous Waste Facility	-0-	-0-	-0-	-0-	103.0	106.0	1,093.0	1,302.0
Irvington Landfill Closure	200.0	-0-	200.0	1,854.0	-0-	-0-	-0-	2,054.0
Los Reales Access Roadway Improvements	-0-	-0-	-0-	-0-	927.0	1,485.0	-0-	2,412.0
Los Reales Buffer Improvements	-0-	-0-	-0-	-0-	291.0	-0-	-0-	291.0
Los Reales Cell One Gas Control	-0-	-0-	-0-	-0-	227.0	-0-	-0-	227.0
Los Reales Drainage Improvements	-0-	250.0	250.0	-0-	-0-	-0-	-0-	250.0
Los Reales East Basin Embankment	-0-	-0-	-0-	-0-	2,455.0	-0-	-0-	2,455.0
Los Reales Facilities	-0-	-0-	-0-	400.0	-0-	-0-	-0-	400.0
Los Reales Intermediate Closure	120.0	-0-	120.0	210.0	-0-	-0-	-0-	330.0
Los Reales Lined Cells Three Through Five	-0-	300.0	300.0	-0-	655.0	9,964.0	-0-	10,919.0
Los Reales Self Hauler Facility	-0-	-0-	-0-	-0-	583.0	-0-	-0-	583.0
Los Reales Westside Closure	250.0	-0-	250.0	340.0	-0-	-0-	-0-	590.0
Mullins Gas Mitigation	461.7	150.0	611.7	618.0	-0-	-0-	-0-	1,229.7

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Solid Waste Management

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Mullins Landfill Closure	467.0	4,200.0	4,667.0	1,133.0	-0-	-0-	-0-	5,800.0
Mullins Landfill Stormwater Controls	-0-	-0-	-0-	386.0	1,241.0	-0-	-0-	1,627.0
Solid Waste Management Administrative/Training Facility	-0-	-0-	-0-	-0-	1,050.0	7,274.0	681.0	9,005.0
Tenth Avenue Transfer Station Renovation	-0-	-0-	-0-	-0-	155.0	1,804.0	437.0	2,396.0
Transfer Station Development	-0-	-0-	-0-	-0-	773.0	5,305.0	-0-	6,078.0
Tumamoc Landfill Closure	-0-	-0-	-0-	-0-	103.0	1,093.0	-0-	1,196.0
TOTAL	1,801.1	4,900.0	6,701.1	4,941.0	9,468.0	27,304.0	2,211.0	50,625.1
<u>Source of Funds</u>								
Environmental and Solid Waste Mandate Reserves	398.7	4,350.0	4,748.7	3,231.0	-0-	-0-	-0-	7,979.7
1994 General Obligation Bonds	415.4	-0-	415.4	-0-	-0-	-0-	-0-	415.4
1994 General Obligation Bonds - Interest	20.0	-0-	20.0	-0-	-0-	-0-	-0-	20.0
2000 General Obligation Bonds	967.0	550.0	1,517.0	1,710.0	1,632.0	-0-	-0-	4,859.0
Unfunded Requirements	-0-	-0-	-0-	-0-	7,836.0	27,304.0	2,211.0	37,351.0
TOTAL	1,801.1	4,900.0	6,701.1	4,941.0	9,468.0	27,304.0	2,211.0	50,625.1
Inflation Adjustment			-0-	144.0	542.5	2,316.5	247.0	3,250.0
Annual Operating Cost			-0-	-0-	30.0	30.0	30.0	90.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/FUND	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL	
Streets	11,038.9	52,297.0	63,335.9	30,948.0	7,028.0	17,551.0	16,203.0	135,065.9	
Drainage	8,724.2	7,080.0	15,804.2	8,059.0	15,000.0	12,000.0	12,000.0	62,863.2	
Street Lighting	1,630.0	3,603.0	5,233.0	2,419.0	5,187.0	4,714.0	4,735.0	22,288.0	
Traffic Signals	656.0	5,230.0	5,886.0	3,666.0	3,208.0	2,874.0	1,736.0	17,370.0	
Public Transit	10,311.2	17,435.5	27,746.7	26,653.0	29,833.0	28,908.0	22,627.0	135,767.7	
TOTAL	32,360.3	85,645.5	118,005.8	71,745.0	60,256.0	66,047.0	57,301.0	373,354.8	
Source of Funds									
General Fund	-0-	533.0	533.0	537.0	540.0	645.0	650.0	2,905.0	
Highway User Revenue Fund	2,530.3	7,328.0	9,858.3	1,991.0	1,776.0	1,375.0	1,375.0	16,375.3	
Miscellaneous Non-Federal Grants	728.0	-0-	728.0	-0-	-0-	-0-	-0-	728.0	
Capital Contributions and Agreements	4,193.8	6,041.0	10,234.8	5,815.0	2,815.0	3,505.0	5,517.0	27,886.8	
Mass Transit Section 3	9,097.0	14,851.5	23,948.5	24,494.0	18,736.0	18,949.0	11,785.0	97,912.5	
Mass Transit - General Fund Contribution	1,147.2	2,099.0	3,246.2	2,159.0	1,977.0	2,371.0	1,732.0	11,485.2	
Federal Highway Administration Funds	-0-	33,578.0	33,578.0	21,532.0	1,533.0	12,502.0	9,641.0	78,786.0	
1994 General Obligation Bonds	278.0	-0-	278.0	-0-	-0-	-0-	-0-	278.0	
2000 General Obligation Bonds	10,618.2	9,374.0	19,992.2	8,937.0	3,000.0	-0-	-0-	31,929.2	
1994 Street and Highway Revenue Bonds Series B	2,473.8	-0-	2,473.8	-0-	-0-	-0-	-0-	2,473.8	
2000 Street and Highway Revenue Bonds	420.0	10,531.0	10,951.0	5,717.0	3,316.0	66.0	-0-	20,050.0	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/FUND	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007		
<u>Source of Funds (continued)</u>									
Special Assessments Fund	874.0	1,310.0	2,184.0	563.0	340.0	1,750.0	360.0	5,197.0	
Unfunded Requirements	-0-	-0-	-0-	-0-	26,223.0	24,884.0	26,241.0	77,348.0	
TOTAL	32,360.3	85,645.5	118,005.8	71,745.0	60,256.0	66,047.0	57,301.0	373,354.8	
Inflation Adjustment			-0-	2,090.7	3,458.4	5,604.5	6,388.3	17,541.9	
Annual Operating Cost			-0-	(5.9)	1,368.9	1,328.5	1,334.5	4,026.0	

Note: Budgeted amounts include special assessment funds which are non-city funds.

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
<u>Streets</u>								
36th Street/Kino Boulevard Pedestrian Overpass	-0-	2,650.0	2,650.0	-0-	-0-	-0-	-0-	2,650.0
5th/6th Street Circulation Improvements	-0-	500.0	500.0	200.0	200.0	200.0	200.0	1,300.0
6th Avenue: Ajo to Rodeo Wash	146.1	-0-	146.1	-0-	-0-	-0-	-0-	146.1
Anklam Road Traffic Safety Improvements	220.0	75.0	295.0	450.0	450.0	450.0	450.0	2,095.0
Barraza-Aviation Parkway: 4th Avenue Underpass	-0-	9,000.0	9,000.0	6,000.0	-0-	-0-	-0-	15,000.0
Barraza-Aviation Parkway: Downtown Segment	500.0	600.0	1,100.0	600.0	600.0	600.0	600.0	3,500.0
Barraza-Aviation Parkway: 6th Avenue Improvements	-0-	1,903.0	1,903.0	-0-	-0-	-0-	-0-	1,903.0
Barraza-Aviation Parkway: Neighborhood Traffic Mitigation	163.0	68.0	231.0	50.0	50.0	50.0	50.0	431.0
Barraza-Aviation Parkway: St. Mary's/6th Street	-0-	800.0	800.0	8,000.0	-0-	-0-	-0-	8,800.0
Barraza-Aviation Parkway: Tucson Arroyo Realignment, Phase I	300.0	-0-	300.0	2,500.0	-0-	-0-	-0-	2,800.0
Barrio Anita Enhancements	-0-	500.0	500.0	-0-	-0-	-0-	-0-	500.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Bicycle, Pedestrian, and Transit Program - Federally Funded	-0-	1,206.0	1,206.0	956.0	986.0	951.0	980.0	5,079.0
Broadway Boulevard Acquisitions: Euclid Avenue to Columbus Boulevard	-0-	800.0	800.0	800.0	800.0	800.0	3,502.0	6,702.0
Broadway Boulevard Right-Turn lane at El Con Mall	70.0	1,000.0	1,070.0	-0-	-0-	-0-	-0-	1,070.0
Bus Pull-Outs, Shelters, Access, and Miscellaneous Improvements	-0-	815.0	815.0	1,000.0	1,000.0	-0-	-0-	2,815.0
Downtown Pedestrian Improvements	-0-	200.0	200.0	200.0	200.0	200.0	200.0	1,000.0
Grant Road and Campbell Avenue Intersection Improvement	2,588.8	500.0	3,088.8	-0-	-0-	-0-	-0-	3,088.8
Harrison Road: Golf Links Road to Old Spanish Trail Improvement District	5,532.0	-0-	5,532.0	-0-	-0-	-0-	-0-	5,532.0
Harrison Road: Speedway Boulevard to Old Spanish Trail Improvement District	-0-	1,000.0	1,000.0	-0-	-0-	6,941.0	4,000.0	11,941.0
Highland Avenue Bicycle and Pedestrian Improvements	365.0	-0-	365.0	-0-	-0-	-0-	-0-	365.0
Houghton Road Corridor Study	500.0	-0-	500.0	-0-	-0-	-0-	-0-	500.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Intersection Operational Improvements	-0-	5,000.0	5,000.0	1,450.0	-0-	-0-	-0-	6,450.0
Irvington Road: Kolb Road to Camino Seco Boulevard	-0-	-0-	-0-	142.0	-0-	1,235.0	-0-	1,377.0
Miscellaneous On-Call Street and Spot Improvements	-0-	1,011.0	1,011.0	409.0	500.0	249.0	347.0	2,516.0
Miscellaneous Sidewalk Improvements - 2000 Bond Program	-0-	512.0	512.0	-0-	-0-	-0-	-0-	512.0
Mountain Avenue: Ft. Lowell Road to Roger Road	-0-	7,400.0	7,400.0	-0-	-0-	-0-	-0-	7,400.0
Old Nogales Highway Pedestrian Overpass	-0-	200.0	200.0	1,819.0	-0-	-0-	-0-	2,019.0
Park Avenue/Euclid Avenue Multiple-Use Bridge	60.0	1,100.0	1,160.0	-0-	-0-	-0-	-0-	1,160.0
Pedestrian Improvements	-0-	667.0	667.0	666.0	667.0	-0-	-0-	2,000.0
Resurfacing, Restoration, and Rehabilitation - HELP Loan Program	400.0	10,000.0	10,400.0	-0-	-0-	-0-	-0-	10,400.0
Resurfacing, Restoration, and Rehabilitation Program	-0-	1,084.0	1,084.0	-0-	-0-	4,200.0	4,199.0	9,483.0
Roadway Beautification and Landscape Maintenance	-0-	125.0	125.0	125.0	125.0	125.0	125.0	625.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
South Yard Drill Track Improvements	-0-	131.0	131.0	131.0	-0-	-0-	-0-	262.0
Speedway/Stone Avenue Gateway Intersection Improvements	194.0	-0-	194.0	4,000.0	-0-	-0-	-0-	4,194.0
Starr Pass Boulevard Improvements	-0-	2,000.0	2,000.0	-0-	-0-	-0-	-0-	2,000.0
Stone Avenue Corridor Study, Phase II	-0-	500.0	500.0	500.0	500.0	500.0	500.0	2,500.0
Transportation Enhancements	-0-	550.0	550.0	550.0	550.0	550.0	550.0	2,750.0
Undergrounding of Tucson Electric Power Lines	-0-	400.0	400.0	400.0	400.0	500.0	500.0	2,200.0
<u>Drainage</u>								
29th Street/Kino Boulevard Detention Basin	478.0	200.0	678.0	-0-	-0-	-0-	-0-	678.0
Alamo Wash Drainage Improvements	-0-	-0-	-0-	-0-	2,800.0	-0-	-0-	2,800.0
Arroyo Chico Drainage Improvements	1,000.0	-0-	1,000.0	1,650.0	-0-	-0-	-0-	2,650.0
Arroyo Chico Greenbelt Extension	-0-	162.0	162.0	-0-	-0-	-0-	-0-	162.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Citation Wash Drainage Improvements: 22nd Street to Alvernon Way	400.0	-0-	400.0	-0-	-0-	-0-	-0-	400.0
Columbus Wash Drainage Relief, Phase II	728.2	5,000.0	5,728.2	1,970.0	-0-	-0-	-0-	7,698.2
El Vado Wash Drainage Improvement: Missiondale Road to 12th Avenue	2,000.0	-0-	2,000.0	-0-	-0-	-0-	-0-	2,000.0
Jefferson Park Drainage Improvements	-0-	50.0	50.0	1,839.0	-0-	-0-	-0-	1,889.0
Limberlost Drainage Relief Improvements	300.0	-0-	300.0	-0-	-0-	-0-	-0-	300.0
Mission View Wash Detention/Retention Facility	-0-	-0-	-0-	1,400.0	-0-	-0-	-0-	1,400.0
Mountain Avenue Storm Drainage Improvements	3,000.0	-0-	3,000.0	-0-	-0-	-0-	-0-	3,000.0
Park Avenue Detention Basin	-0-	250.0	250.0	1,000.0	-0-	-0-	-0-	1,250.0
Rillito Creek Habitat Restoration	338.0	390.0	728.0	-0-	-0-	-0-	-0-	728.0
Santa Cruz River Park Extension	480.0	578.0	1,058.0	-0-	-0-	-0-	-0-	1,058.0
Stormwater Quality Program	-0-	200.0	200.0	200.0	200.0	-0-	-0-	600.0
Tucson Stormwater Management Study Drainage Improvements	-0-	-0-	-0-	-0-	12,000.0	12,000.0	12,000.0	36,000.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
Wyoming Wash Drainage Improvements	-0-	250.0	250.0	-0-	-0-	-0-	-0-	250.0
<u>Street Lighting</u>								
12th Avenue: Veterans Boulevard to Ajo Way Improvement District	-0-	63.0	63.0	-0-	-0-	-0-	-0-	63.0
1st Avenue: Prince Road to River Road Improvement District	405.0	-0-	405.0	-0-	-0-	-0-	-0-	405.0
6th Avenue Arterial Lighting Construction	-0-	175.0	175.0	-0-	-0-	-0-	-0-	175.0
Arterial Street Lighting Pole Relocation	-0-	103.0	103.0	-0-	309.0	219.0	225.0	856.0
Broadway Boulevard: Kolb Road to Pantano Road Improvement District	217.0	-0-	217.0	-0-	-0-	-0-	-0-	217.0
Broadway Boulevard: Tucson Boulevard to Country Club Improvement District	211.0	120.0	331.0	-0-	-0-	-0-	-0-	331.0
Campbell Avenue: Roger Road to River Road Improvement District	255.0	-0-	255.0	-0-	-0-	-0-	-0-	255.0
Country Club Road: Broadway Boulevard to Speedway Boulevard	-0-	375.0	375.0	-0-	-0-	-0-	-0-	375.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
East Broadway Arterial Street Lighting Construction	-0-	-0-	-0-	180.0	-0-	-0-	-0-	180.0
Euclid Avenue: Broadway Boulevard to Speedway Boulevard Improvement	-0-	475.0	475.0	-0-	-0-	-0-	-0-	475.0
Ft. Lowell Road: Oracle Road to Country Club Improvement District	-0-	165.0	165.0	1,402.0	-0-	-0-	-0-	1,567.0
Golf Links Road: Alvernon Way to Craycroft Boulevard Improvement District	342.0	220.0	562.0	-0-	-0-	-0-	-0-	562.0
Life Extensions and Upgrades on Existing Electrical Systems	-0-	328.0	328.0	341.0	398.0	-0-	-0-	1,067.0
Miscellaneous Collector and Arterial Street Lighting Improvements	-0-	-0-	-0-	-0-	4,000.0	4,000.0	4,000.0	12,000.0
Neighborhood District Lighting Improvements	-0-	481.0	481.0	496.0	480.0	495.0	510.0	2,462.0
Nogales Highway: Drexel Road to Irvington Road Improvement District	-0-	422.0	422.0	-0-	-0-	-0-	-0-	422.0
Pantano Road: Speedway Boulevard to 22nd Street Improvement District	200.0	-0-	200.0	-0-	-0-	-0-	-0-	200.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Park Avenue: Valencia Road to Irvington Road Improvement District	-0-	676.0	676.0	-0-	-0-	-0-	-0-	676.0
<u>Traffic Signals</u>								
22nd Street and Randolph Way Traffic Signal Improvement	-0-	500.0	500.0	-0-	-0-	-0-	-0-	500.0
Americans with Disabilities Act Crossing Modifications	-0-	75.0	75.0	75.0	75.0	75.0	75.0	375.0
Computerized Traffic System Improvements	50.0	206.0	256.0	135.0	106.0	1,117.0	217.0	1,831.0
Emergency Preemption System and Marker Beacons	-0-	345.0	345.0	318.0	-0-	-0-	-0-	663.0
Intelligent Transportation System Improvements	20.0	175.0	195.0	175.0	80.0	175.0	175.0	800.0
Intelligent Transportation Systems - Emergency Room Link	-0-	250.0	250.0	250.0	250.0	250.0	250.0	1,250.0
Living Transportation Laboratory	20.0	175.0	195.0	133.0	133.0	134.0	134.0	729.0
Machine Vision Video Detection System Upgrades	-0-	1,005.0	1,005.0	948.0	930.0	-0-	-0-	2,883.0
Miscellaneous Traffic Improvements	40.0	151.0	191.0	21.0	21.0	59.0	-0-	292.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Roger Road/Fairview Avenue Traffic Signal Improvement	68.0	333.0	401.0	-0-	-0-	-0-	-0-	401.0
School Flasher Construction	50.0	230.0	280.0	230.0	230.0	230.0	230.0	1,200.0
Tanque Verde Road/Pima Street and Wilmot Road Intersection Improvement	-0-	300.0	300.0	-0-	-0-	-0-	-0-	300.0
Traffic Flasher Construction	30.0	70.0	100.0	90.0	70.0	70.0	70.0	400.0
Traffic Signal and Control Equipment Upgrades	-0-	155.0	155.0	155.0	155.0	108.0	107.0	680.0
Traffic Signal Construction	338.0	450.0	788.0	450.0	225.0	225.0	225.0	1,913.0
Traffic Signal Conversions	-0-	500.0	500.0	501.0	499.0	-0-	-0-	1,500.0
Traffic Signal Upgrades	20.0	155.0	175.0	164.0	413.0	431.0	253.0	1,436.0
Turn Signal Modifications and Geometrics	20.0	155.0	175.0	21.0	21.0	-0-	-0-	217.0
<u>Public Transit</u>								
Americans with Disabilities Act Pedestrian Access	100.0	-0-	100.0	-0-	-0-	-0-	-0-	100.0
Automated Vehicle Location System Kiosks	249.0	-0-	249.0	-0-	-0-	-0-	-0-	249.0
Automated Vehicle Location System Upgrades	62.0	-0-	62.0	-0-	-0-	-0-	-0-	62.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Broadway Boulevard Transit Improvements	-0-	125.0	125.0	-0-	-0-	-0-	-0-	125.0
Building and Equipment - Van Tran	-0-	180.0	180.0	200.0	205.0	212.0	218.0	1,015.0
Building and Equipment - Sun Tran	-0-	889.0	889.0	300.0	317.0	325.0	335.0	2,166.0
Cherry Avenue Transit Hub, Phase I	329.7	-0-	329.7	-0-	-0-	-0-	-0-	329.7
Cherry Avenue Transit Hub, Phase II	391.5	-0-	391.5	-0-	-0-	-0-	-0-	391.5
Compressed Natural Gas Facility Improvements	105.0	-0-	105.0	-0-	-0-	-0-	-0-	105.0
Downtown Intermodal Center/Union Pacific Depot	2,500.0	3,571.5	6,071.5	2,400.0	1,420.0	1,810.0	415.0	12,116.5
Engine Replacement Program	-0-	-0-	-0-	1,093.0	1,125.0	1,159.0	1,194.0	4,571.0
Expansion Vans for Van Tran	-0-	-0-	-0-	660.0	-0-	-0-	-0-	660.0
Management Information and Communications - Transit Services Administration	-0-	-0-	-0-	55.0	57.0	58.0	59.0	229.0
Management Information and Communications - Sun Tran	120.0	883.0	1,003.0	206.0	212.0	4,000.0	225.0	5,646.0
Management Information and Communications - Van Tran	336.0	190.0	526.0	206.0	212.0	219.0	225.0	1,388.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL	
Pima Community College Cooperative Transit Projects	290.0	900.0	1,190.0	-0-	-0-	-0-	-0-	1,190.0	
Program Support and Administration	150.0	175.0	325.0	287.0	307.0	315.0	324.0	1,558.0	
Project Development	50.0	-0-	50.0	150.0	150.0	150.0	150.0	650.0	
Replacement Buses for Sun Tran: Section 3 Grants	-0-	2,187.0	2,187.0	3,392.0	3,605.0	3,713.0	3,824.0	16,721.0	
Replacement Buses for Sun Tran: Section 9 Grants	-0-	1,497.0	1,497.0	3,860.0	11,370.0	8,972.0	12,331.0	38,030.0	
Replacement of Brick Pavers	133.0	-0-	133.0	-0-	-0-	-0-	-0-	133.0	
Replacement Vans for Van Tran	1,250.0	1,800.0	3,050.0	1,560.0	764.0	1,967.0	1,756.0	9,097.0	
Shop Tools and Equipment - Sun Tran	1,254.0	100.0	1,354.0	206.0	212.0	219.0	225.0	2,216.0	
Shop Tools and Equipment - Van Tran	-0-	50.0	50.0	50.0	53.0	55.0	56.0	264.0	
Sun Tran Bus Storage and Maintenance Facility	1,590.0	1,600.0	3,190.0	9,148.0	9,290.0	5,306.0	835.0	27,769.0	
Sun Tran Pavement Upgrade	222.0	-0-	222.0	-0-	-0-	-0-	-0-	222.0	
Support Vehicles - Sun Tran	-0-	105.0	105.0	162.0	249.0	135.0	173.0	824.0	
Support Vehicles - Van Tran	188.0	-0-	188.0	60.0	20.0	20.0	-0-	288.0	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Transportation

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Third-Party Contract Services	150.0	-0-	150.0	155.0	159.0	164.0	169.0	797.0
Transit Alternatives Analysis	-0-	2,000.0	2,000.0	-0-	-0-	-0-	-0-	2,000.0
Transit Enhancements	-0-	200.0	200.0	103.0	106.0	109.0	113.0	631.0
Transit Enhancements - 2000 Grant	83.0	-0-	83.0	-0-	-0-	-0-	-0-	83.0
Transit Headquarters Improvements	112.0	883.0	995.0	2,400.0	-0-	-0-	-0-	3,395.0
Udall Center Transit Facility	572.0	100.0	672.0	-0-	-0-	-0-	-0-	672.0
Van Tran Day Care Facility Infant Room	49.0	-0-	49.0	-0-	-0-	-0-	-0-	49.0
Van Tran Facility Improvements	25.0	-0-	25.0	-0-	-0-	-0-	-0-	25.0
TOTAL	32,360.3	85,645.5	118,005.8	71,745.0	60,256.0	66,047.0	57,301.0	373,354.8

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
Potable Source Development	10.0	1,903.0	1,913.0	3,163.0	3,048.0	3,148.0	5,048.0	16,320.0
Recharge and Recovery	6,318.0	10,895.0	17,213.0	-0-	-0-	-0-	-0-	17,213.0
Potable Storage	2,339.0	3,656.0	5,995.0	3,064.0	3,674.0	4,546.0	1,924.0	19,203.0
Potable Pumping Plant	710.0	2,025.0	2,735.0	1,614.0	2,145.0	2,490.0	2,370.0	11,354.0
Potable Transmission	1,041.0	3,410.0	4,451.0	8,821.0	7,371.0	8,810.0	8,911.0	38,364.0
Potable Distribution	1,442.0	5,445.0	6,887.0	6,008.0	9,250.0	8,526.0	7,223.0	37,894.0
Potable New Services	-0-	1,905.0	1,905.0	1,905.0	1,905.0	1,905.0	1,905.0	9,525.0
General Plant	743.0	4,632.0	5,375.0	4,676.0	4,078.0	4,468.0	2,445.0	21,042.0
Potable Treatment	480.0	1,345.0	1,825.0	2,650.0	5,499.0	3,699.0	2,750.0	16,423.0
Potable Process Control	75.0	505.0	580.0	1,475.0	825.0	55.0	56.0	2,991.0
Capitalized Expense	-0-	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	25,000.0
Total Potable System	13,158.0	40,721.0	53,879.0	38,376.0	42,795.0	42,647.0	37,632.0	215,329.0
Reclaimed Source Development	-0-	600.0	600.0	1,590.0	1,500.0	-0-	-0-	3,690.0
Reclaimed Storage	200.0	935.0	1,135.0	55.0	475.0	895.0	895.0	3,455.0
Reclaimed Pumping Plant	-0-	295.0	295.0	935.0	1,035.0	1,055.0	1,055.0	4,375.0
Reclaimed Transmission	285.0	1,340.0	1,625.0	5,145.0	1,160.0	500.0	500.0	8,930.0
Reclaimed Distribution	50.0	325.0	375.0	975.0	500.0	795.0	325.0	2,970.0
Reclaimed New Services	-0-	50.0	50.0	50.0	50.0	50.0	50.0	250.0
Reclaimed Treatment	-0-	30.0	30.0	1,100.0	1,080.0	50.0	850.0	3,110.0
Reclaimed Process Control	-0-	245.0	245.0	85.0	55.0	55.0	55.0	495.0
Total Reclaimed System	535.0	3,820.0	4,355.0	9,935.0	5,855.0	3,400.0	3,730.0	27,275.0
TOTAL	13,693.0	44,541.0	58,234.0	48,311.0	48,650.0	46,047.0	41,362.0	242,604.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
<u>Source of Funds</u>								
Water Revenue and Operations Fund	-0-	13,959.0	13,959.0	16,309.0	17,401.0	20,121.0	22,149.0	89,939.0
2000 Water Infrastructure Finance Authority Bonds	4,541.0	6,401.0	10,942.0	2,500.0	-0-	-0-	-0-	13,442.0
2000 Water Revenue Bonds	9,152.0	23,951.0	33,103.0	29,402.0	3,483.0	-0-	-0-	65,988.0
2000 Water Revenue Bond - Interest	-0-	220.0	220.0	90.0	-0-	-0-	-0-	310.0
Central Arizona Project Reserve Fund	-0-	10.0	10.0	10.0	10.0	10.0	10.0	50.0
Unfunded Requirements	-0-	-0-	-0-	-0-	27,756.0	25,916.0	19,203.0	72,875.0
TOTAL	13,693.0	44,541.0	58,234.0	48,311.0	48,650.0	46,047.0	41,362.0	242,604.0
Inflation Adjustment			-0-	1,413.5	2,794.7	3,908.5	4,612.7	12,729.4
Annual Operating Cost			7,404.0	9,583.0	9,919.0	10,492.0	11,160.0	48,558.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
<u>Potable Source Development</u>								
Drill Production Wells	-0-	-0-	-0-	1,100.0	550.0	550.0	550.0	2,750.0
Minor Well Equipping Upgrades	-0-	112.0	112.0	112.0	112.0	112.0	112.0	560.0
Monitor Wells	-0-	150.0	150.0	-0-	150.0	-0-	150.0	450.0
New Well Equipping	10.0	620.0	630.0	930.0	620.0	620.0	620.0	3,420.0
Potable Source Development - Future	-0-	55.0	55.0	55.0	750.0	1,000.0	2,750.0	4,610.0
Pressure Tank Replacement	-0-	450.0	450.0	450.0	450.0	450.0	450.0	2,250.0
Production Well Sites	-0-	128.0	128.0	128.0	128.0	128.0	128.0	640.0
Well Field Upgrades	-0-	388.0	388.0	388.0	288.0	288.0	288.0	1,640.0
<u>Recharge and Recovery</u>								
Clearwater Renewable Resource Facility	6,318.0	10,745.0	17,063.0	-0-	-0-	-0-	-0-	17,063.0
Install Manholes	-0-	150.0	150.0	-0-	-0-	-0-	-0-	150.0
<u>Potable Storage</u>								
Danforth Reservoir Electrical, Control, and Disinfection Building	-0-	132.0	132.0	-0-	-0-	-0-	-0-	132.0
Devine Reservoir Vault and Piping Modifications	-0-	265.0	265.0	-0-	-0-	-0-	-0-	265.0
Diamond Bell F-Zone Reservoir	-0-	20.0	20.0	120.0	-0-	-0-	-0-	140.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Diamond Bell Ranch I-Zone Reservoir and Booster Station	-0-	-0-	-0-	17.0	-0-	660.0	-0-	677.0
Disinfection System Upgrades	380.0	870.0	1,250.0	870.0	470.0	330.0	120.0	3,040.0
Los Reales Reservoir Site	-0-	-0-	-0-	16.0	500.0	-0-	-0-	516.0
Manzanita Tank Modifications	80.0	-0-	80.0	-0-	-0-	-0-	-0-	80.0
Murphy Reservoir Piping Modifications	-0-	50.0	50.0	500.0	-0-	-0-	-0-	550.0
Potable Storage - Future	-0-	55.0	55.0	55.0	500.0	1,000.0	1,600.0	3,210.0
Reservoir Wall and Roof Improvements	70.0	204.0	274.0	204.0	204.0	204.0	204.0	1,090.0
Southeast E-Zone Reservoir	-0-	-0-	-0-	500.0	2,000.0	2,000.0	-0-	4,500.0
Twenty-Second Street Reservoir Modifications (Liner)	-0-	-0-	-0-	-0-	-0-	352.0	-0-	352.0
Twenty-Second Street Reservoir Modifications (Vault)	-0-	660.0	660.0	-0-	-0-	-0-	-0-	660.0
Valley View Reservoir Roof Upgrades	-0-	400.0	400.0	-0-	-0-	-0-	-0-	400.0
Valley View Reservoir Vault and Piping Modifications	520.0	-0-	520.0	-0-	-0-	-0-	-0-	520.0
Wilmot D-Zone Reservoir and Booster	1,289.0	1,000.0	2,289.0	782.0	-0-	-0-	-0-	3,071.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
<u>Potable Pumping Plant</u>								
Anklam A-B Zone Booster Station Modifications	-0-	300.0	300.0	-0-	-0-	-0-	-0-	300.0
Anklam B-C Booster Station Modifications	-0-	-0-	-0-	-0-	-0-	300.0	-0-	300.0
Camino Verde Booster	40.0	-0-	40.0	-0-	-0-	-0-	-0-	40.0
Clearwell Pressure Regulating Valve Stations - Westside	-0-	400.0	400.0	400.0	400.0	400.0	400.0	2,000.0
Diamond Bell G-I Zone Booster Modifications	-0-	-0-	-0-	20.0	-0-	170.0	-0-	190.0
Fireflow Booster Upgrades	-0-	25.0	25.0	50.0	25.0	50.0	25.0	175.0
Hydroelectric Facilities	-0-	-0-	-0-	-0-	150.0	-0-	-0-	150.0
I-1 Well and Booster Modifications	-0-	-0-	-0-	-0-	25.0	25.0	200.0	250.0
Ironwood Hills A-B Booster Station Modifications	-0-	300.0	300.0	-0-	-0-	-0-	-0-	300.0
Las Palomas B-C Zone Booster Station Modifications	-0-	-0-	-0-	364.0	-0-	-0-	-0-	364.0
Mark Road Booster Station Modifications	-0-	20.0	20.0	200.0	-0-	-0-	-0-	220.0
Plant #5 Pumping Plant Modifications	380.0	-0-	380.0	-0-	-0-	-0-	-0-	380.0
Potable Pumping Plant - Future	-0-	55.0	55.0	55.0	1,200.0	1,200.0	1,400.0	3,910.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
Pressure Regulating Valve Stations Modifications and Replacement	20.0	100.0	120.0	100.0	-0-	-0-	-0-	220.0
Pumping Facility Modifications	-0-	345.0	345.0	345.0	345.0	345.0	345.0	1,725.0
Soldier's Trail Permanent Booster	-0-	300.0	300.0	-0-	-0-	-0-	-0-	300.0
Speedway B-C Zone Booster Station Modifications	-0-	100.0	100.0	-0-	-0-	-0-	-0-	100.0
Variable Speed Boosters	40.0	80.0	120.0	80.0	-0-	-0-	-0-	200.0
W-2 Well and Booster Modifications	230.0	-0-	230.0	-0-	-0-	-0-	-0-	230.0
<u>Potable Transmission</u>								
Alvernon/Grant B-Zone Transmission Main	-0-	800.0	800.0	500.0	-0-	-0-	-0-	1,300.0
Avra Valley Transmission Main Augmentation	-0-	-0-	-0-	-0-	-0-	225.0	590.0	815.0
Avra Valley Transmission Main, Phase I	-0-	-0-	-0-	200.0	250.0	800.0	5,001.0	6,251.0
Cathodic Corrosion Protection Installation	-0-	200.0	200.0	750.0	750.0	500.0	-0-	2,200.0
Christie Drive F-Zone Transmission Main	-0-	-0-	-0-	-0-	11.0	165.0	-0-	176.0
Corrosion Evaluation and Repair	100.0	140.0	240.0	440.0	440.0	300.0	300.0	1,720.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Diamond Bell I-Zone Transmission Main	-0-	11.0	11.0	11.0	323.0	-0-	-0-	345.0
Diamond Bell J-Zone Transmission Main	-0-	8.0	8.0	7.0	85.0	-0-	-0-	100.0
Excavated Corrosion Investigation	-0-	-0-	-0-	225.0	-0-	-0-	-0-	225.0
Old Nogales Highway Transmission Main	150.0	690.0	840.0	4,658.0	-0-	-0-	-0-	5,498.0
Plumer/Broadway B-Zone Transmission Main	-0-	648.0	648.0	500.0	-0-	-0-	-0-	1,148.0
Relocate Existing Rectifiers	-0-	80.0	80.0	-0-	-0-	-0-	-0-	80.0
Santa Rita Bel Aire Transmission Main (Well H-2)	-0-	-0-	-0-	-0-	200.0	500.0	-0-	700.0
Southeast E-Zone Transmission Main	-0-	3.0	3.0	150.0	647.0	2,500.0	-0-	3,300.0
Southwest C-Zone Transmission Main	-0-	50.0	50.0	450.0	-0-	-0-	-0-	500.0
Spencer Avenue Transmission Main	-0-	-0-	-0-	-0-	2,945.0	2,800.0	-0-	5,745.0
Technical Drive/Columbus Boulevard C-Zone Transmission Main	791.0	660.0	1,451.0	-0-	-0-	-0-	-0-	1,451.0
Transmission Main Projects - Future	-0-	100.0	100.0	750.0	1,700.0	1,000.0	3,000.0	6,550.0
Upgrade Corrosion Test Stations	-0-	20.0	20.0	20.0	20.0	20.0	20.0	100.0
Well AV-26 Discharge Transmission Main	-0-	-0-	-0-	160.0	-0-	-0-	-0-	160.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
<u>Potable Distribution</u>								
Catalina Foothills Main Replacement, Phase III	150.0	-0-	150.0	-0-	-0-	-0-	-0-	150.0
Chip Seal Main Replacements	-0-	25.0	25.0	25.0	25.0	25.0	25.0	125.0
Distribution Main Projects - Future	-0-	50.0	50.0	550.0	1,500.0	2,000.0	1,998.0	6,098.0
Emergency Main Replacement	-0-	100.0	100.0	100.0	100.0	100.0	100.0	500.0
Extensions for New Services	-0-	10.0	10.0	10.0	10.0	10.0	10.0	50.0
Midvale Farms Reimbursements	-0-	170.0	170.0	170.0	170.0	-0-	-0-	510.0
Minor Main Replacements Force Account	-0-	10.0	10.0	10.0	10.0	10.0	10.0	50.0
Miscellaneous Connections	-0-	25.0	25.0	25.0	25.0	25.0	25.0	125.0
Miscellaneous Engineering Services	-0-	5.0	5.0	5.0	5.0	5.0	5.0	25.0
On-Call Valve Replacement Program	-0-	200.0	200.0	200.0	200.0	200.0	200.0	1,000.0
Payments to Developers for Oversized Systems	-0-	100.0	100.0	100.0	100.0	101.0	100.0	501.0
Peppertree Settlement	-0-	300.0	300.0	300.0	300.0	300.0	-0-	1,200.0
Quadrant Main Replacements	-0-	-0-	-0-	-0-	800.0	-0-	-0-	800.0
Review of Developer-Financed Potable Projects	-0-	850.0	850.0	850.0	850.0	850.0	850.0	4,250.0
Road Improvement Main Replacements	1,292.0	2,100.0	3,392.0	2,600.0	3,600.0	4,100.0	3,100.0	16,792.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Routine Main Replacements	-0-	550.0	550.0	550.0	800.0	800.0	800.0	3,500.0
Shannon-Ironwood Hills Fire Protection	-0-	-0-	-0-	450.0	-0-	-0-	-0-	450.0
Skyline Country Club System Modifications	-0-	-0-	-0-	13.0	755.0	-0-	-0-	768.0
Starr Pass Improvements - Potable	-0-	900.0	900.0	-0-	-0-	-0-	-0-	900.0
Ventana Canyon Reimbursements	-0-	50.0	50.0	50.0	-0-	-0-	-0-	100.0
<u>Potable New Services</u>								
Fire Services	-0-	750.0	750.0	750.0	750.0	750.0	750.0	3,750.0
Water Services	-0-	1,155.0	1,155.0	1,155.0	1,155.0	1,155.0	1,155.0	5,775.0
<u>General Plant</u>								
Capital Equipment	-0-	869.0	869.0	700.0	700.0	700.0	700.0	3,669.0
Clearwell Reservoir Access Road	450.0	-0-	450.0	-0-	-0-	-0-	-0-	450.0
Facility Access and Site Drainage Improvements	-0-	75.0	75.0	75.0	75.0	75.0	75.0	375.0
Facility Improvements - Future	-0-	-0-	-0-	18.0	507.0	1,212.0	510.0	2,247.0
Facility Safety and Security	190.0	538.0	728.0	548.0	544.0	545.0	-0-	2,365.0
Geographic Information System (GIS)	70.0	1,037.0	1,107.0	891.0	597.0	506.0	100.0	3,201.0
La Entrada Structure Remedy	-0-	-0-	-0-	-0-	-0-	270.0	-0-	270.0
Maintenance Management Program	-0-	822.0	822.0	1,034.0	245.0	-0-	-0-	2,101.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007		
Maintenance Management Program - Vehicles	-0-	-0-	-0-	750.0	750.0	500.0	400.0	2,400.0	
Microwave Radio Replacements	-0-	440.0	440.0	-0-	-0-	-0-	-0-	440.0	
Miscellaneous Land and Right-of-Way Acquisitions	-0-	10.0	10.0	10.0	10.0	10.0	10.0	50.0	
Murphy Reservoir Access Road Repaving	-0-	110.0	110.0	-0-	-0-	-0-	-0-	110.0	
Sound Control for Production Facilities	-0-	30.0	30.0	30.0	30.0	30.0	30.0	150.0	
Vehicle Replacement	-0-	631.0	631.0	550.0	550.0	550.0	550.0	2,831.0	
Walls, Fencing, and Landscaping	33.0	70.0	103.0	70.0	70.0	70.0	70.0	383.0	
<u>Potable Treatment</u>									
Hayden-Udall Chemical Feed Improvements	480.0	-0-	480.0	-0-	-0-	-0-	-0-	480.0	
Hayden-Udall Water Treatment Plant Rehabilitation	-0-	1,345.0	1,345.0	1,000.0	2,499.0	1,699.0	750.0	7,293.0	
Technical Drive Improvements	-0-	-0-	-0-	400.0	1,000.0	-0-	-0-	1,400.0	
Treatment Improvements - Future	-0-	-0-	-0-	1,250.0	2,000.0	2,000.0	2,000.0	7,250.0	
<u>Potable Process Control</u>									
Control Panel Replacements	50.0	420.0	470.0	1,420.0	770.0	-0-	-0-	2,660.0	
Process Control Projects - Future	-0-	55.0	55.0	55.0	55.0	55.0	56.0	276.0	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007		
Process Control System Improvements	-0-	30.0	30.0	-0-	-0-	-0-	-0-	30.0	
Southwest Turnout Meter	25.0	-0-	25.0	-0-	-0-	-0-	-0-	25.0	
<u>Capitalized Expense</u>									
Capitalized Expense	-0-	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	25,000.0	
<u>Reclaimed Source Development</u>									
Santa Cruz River Managed Underground Storage Facility	-0-	380.0	380.0	1,500.0	1,500.0	-0-	-0-	3,380.0	
Tres Rios del Norte Feasibility Study	-0-	220.0	220.0	90.0	-0-	-0-	-0-	310.0	
<u>Reclaimed Storage</u>									
La Paloma Reservoir Expansion	200.0	500.0	700.0	-0-	-0-	-0-	-0-	700.0	
Modify Potable Backup Outlets	-0-	80.0	80.0	-0-	-0-	-0-	-0-	80.0	
Reclaimed Storage Projects - Future	-0-	30.0	30.0	30.0	30.0	30.0	30.0	150.0	
Reclaimed Walls, Fencing, and Landscaping	-0-	25.0	25.0	25.0	25.0	25.0	25.0	125.0	
Roger Road Reservoir	-0-	-0-	-0-	-0-	420.0	840.0	840.0	2,100.0	
Sunrise Reservoir	-0-	300.0	300.0	-0-	-0-	-0-	-0-	300.0	
<u>Reclaimed Pumping Plant</u>									
Columbus R-4 Reclaimed Booster Station	-0-	-0-	-0-	400.0	-0-	-0-	-0-	400.0	
Reclaimed Pumping Plant - Future	-0-	55.0	55.0	55.0	55.0	55.0	55.0	275.0	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Reid Park Boosters Expansion	-0-	240.0	240.0	480.0	480.0	-0-	-0-	1,200.0
Roger Road Plant Booster Expansion	-0-	-0-	-0-	-0-	500.0	1,000.0	1,000.0	2,500.0
<u>Reclaimed Transmission</u>								
18th Street/10th Avenue Reclaimed Transmission Main	45.0	840.0	885.0	1,440.0	-0-	-0-	-0-	2,325.0
Campbell/Drexel Reclaimed Main	240.0	-0-	240.0	3,155.0	1,000.0	-0-	-0-	4,395.0
Deactivate Blow-Off Valves	-0-	-0-	-0-	50.0	160.0	-0-	-0-	210.0
Golf Links/Craycroft Reclaimed Transmission Main	-0-	500.0	500.0	500.0	-0-	-0-	-0-	1,000.0
Reclaimed Transmission - Future	-0-	-0-	-0-	-0-	-0-	500.0	500.0	1,000.0
<u>Reclaimed Distribution</u>								
Campbell Avenue/3rd Street Reclaimed Distribution Main	-0-	-0-	-0-	-0-	30.0	470.0	-0-	500.0
City of Tucson Parks Main Extensions	-0-	55.0	55.0	55.0	55.0	55.0	55.0	275.0
Columbus Reclaimed Distribution Main	-0-	-0-	-0-	50.0	100.0	-0-	-0-	150.0
Review of Developer-Financed Reclaimed Projects	-0-	60.0	60.0	60.0	60.0	60.0	60.0	300.0
Starr Pass Improvements - Reclaimed	-0-	-0-	-0-	600.0	-0-	-0-	-0-	600.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Tucson Water

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL
Sunnyside School District Main Extensions	-0-	55.0	55.0	55.0	100.0	55.0	55.0	320.0
System Enhancements: Reclaimed	30.0	100.0	130.0	100.0	100.0	100.0	100.0	530.0
Tucson Unified School District Main Extensions	20.0	55.0	75.0	55.0	55.0	55.0	55.0	295.0
<u>Reclaimed New Services</u>								
New Metered Services	-0-	50.0	50.0	50.0	50.0	50.0	50.0	250.0
<u>Reclaimed Treatment</u>								
Chlorine System Improvements	-0-	-0-	-0-	1,000.0	1,000.0	-0-	-0-	2,000.0
Roger Road Reclaimed Water Treatment Plant	-0-	30.0	30.0	100.0	80.0	50.0	850.0	1,110.0
Miscellaneous Improvements								
<u>Reclaimed Process Control</u>								
Control Panels: Reclaimed System	-0-	100.0	100.0	-0-	-0-	-0-	-0-	100.0
Microwave Radio Replacements: Reclaimed	-0-	60.0	60.0	30.0	-0-	-0-	-0-	90.0
Reclaimed Process Control System Upgrades	-0-	85.0	85.0	55.0	55.0	55.0	55.0	305.0
TOTAL	13,693.0	44,541.0	58,234.0	48,311.0	48,650.0	46,047.0	41,362.0	242,604.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Environmental Management
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007		
Broadway-Pantano Remediation Site	1,600.0	800.0	2,400.0	989.0	485.0	210.0	-0-	4,084.0	
Comprehensive City Landfill Groundwater Investigation/Remediation	200.0	270.0	470.0	290.0	300.0	300.0	300.0	1,660.0	
Cottonwood Landfill Project	-0-	270.0	270.0	300.0	300.0	200.0	100.0	1,170.0	
Harrison Landfill Groundwater Remediation	199.8	60.0	259.8	40.0	100.0	100.0	100.0	599.8	
Los Reales Landfill Groundwater Remediation	275.0	400.0	675.0	250.0	200.0	200.0	-0-	1,325.0	
Los Reales Landfill Westside Remediation	670.0	150.0	820.0	150.0	150.0	150.0	-0-	1,270.0	
Price Service Center Remediation	1,275.0	200.0	1,475.0	425.0	300.0	200.0	150.0	2,550.0	
Prudence Landfill Vadose Zone Remediation	-0-	910.0	910.0	190.0	-0-	-0-	-0-	1,100.0	
Silverbell Jail Annex Landfill	700.0	-0-	700.0	500.0	400.0	-0-	-0-	1,600.0	
Tumamoc Landfill Soil/Groundwater Assessment	-0-	250.0	250.0	1,020.0	150.0	150.0	150.0	1,720.0	
TOTAL	4,919.8	3,310.0	8,229.8	4,154.0	2,385.0	1,510.0	800.0	17,078.8	

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Environmental Management
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
<u>Source of Funds</u>								
Environmental and Solid Waste Mandate Reserves	870.0	520.0	1,390.0	1,310.0	-0-	-0-	-0-	2,700.0
Capital Agreements Fund	1,000.0	-0-	1,000.0	-0-	-0-	-0-	-0-	1,000.0
Water Quality Assurance Revolving Fund	1,600.0	-0-	1,600.0	-0-	-0-	-0-	-0-	1,600.0
1994 General Obligation Bonds	305.0	200.0	505.0	99.0	-0-	-0-	-0-	604.0
2000 General Obligation Bonds	1,144.8	2,590.0	3,734.8	2,745.0	1,156.0	310.0	79.0	8,024.8
Unfunded Requirements	-0-	-0-	-0-	-0-	1,229.0	1,200.0	721.0	3,150.0
TOTAL	4,919.8	3,310.0	8,229.8	4,154.0	2,385.0	1,510.0	800.0	17,078.8
Inflation Adjustment			-0-	121.5	138.0	128.5	89.5	477.5
Annual Operating Cost			930.0	970.0	1,180.0	1,180.0	1,180.0	5,440.0

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
Tucson Convention Center
(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Box Office Remodel	70.0	-0-	70.0	-0-	-0-	-0-	-0-	70.0
Extendable Arena Seating Replacement	-0-	-0-	-0-	-0-	820.0	-0-	-0-	820.0
Modernization of Music Hall Lighting	-0-	-0-	-0-	-0-	546.0	-0-	-0-	546.0
TOTAL	70.0	-0-	70.0	-0-	1,366.0	-0-	-0-	1,436.0
Source of Funds								
Tucson Convention Center Fund	70.0	-0-	70.0	-0-	-0-	-0-	-0-	70.0
Unfunded Requirements	-0-	-0-	-0-	-0-	1,366.0	-0-	-0-	1,366.0
TOTAL	70.0	-0-	70.0	-0-	1,366.0	-0-	-0-	1,436.0
Inflation Adjustment			-0-	-0-	78.0	-0-	-0-	78.0
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-	-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Operations

(\$000)

PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS			FIVE YEAR TOTAL
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	
Emergency Communications System and Facility	5,910.6	850.0	6,760.6	8,222.0	23,896.0	19,314.0	35,485.0	93,677.6
Fiber Optic Hub Relocation	240.0	-0-	240.0	-0-	-0-	-0-	-0-	240.0
Northwest Multi-Service Facility	-0-	-0-	-0-	-0-	1,800.0	1,042.0	5,971.0	8,813.0
Southeast Communications Site	-0-	-0-	-0-	-0-	2,652.0	8,195.0	-0-	10,847.0
Southeast Multi-Service Facility	-0-	-0-	-0-	-0-	1,800.0	1,042.0	5,971.0	8,813.0
TOTAL	6,150.6	850.0	7,000.6	8,222.0	30,148.0	29,593.0	47,427.0	122,390.6
Source of Funds								
General Fund	1,150.6	-0-	1,150.6	-0-	-0-	-0-	-0-	1,150.6
General Fund - Debt Financing	5,000.0	850.0	5,850.0	8,222.0	15,332.0	596.0	-0-	30,000.0
Unfunded Requirements	-0-	-0-	-0-	-0-	14,816.0	28,997.0	47,427.0	91,240.0
TOTAL	6,150.6	850.0	7,000.6	8,222.0	30,148.0	29,593.0	47,427.0	122,390.6
Inflation Adjustment			-0-	239.0	1,730.0	2,510.0	5,289.0	9,768.0
Annual Operating Cost			-0-	-0-	-0-	-0-	-0-	-0-

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

General Expense

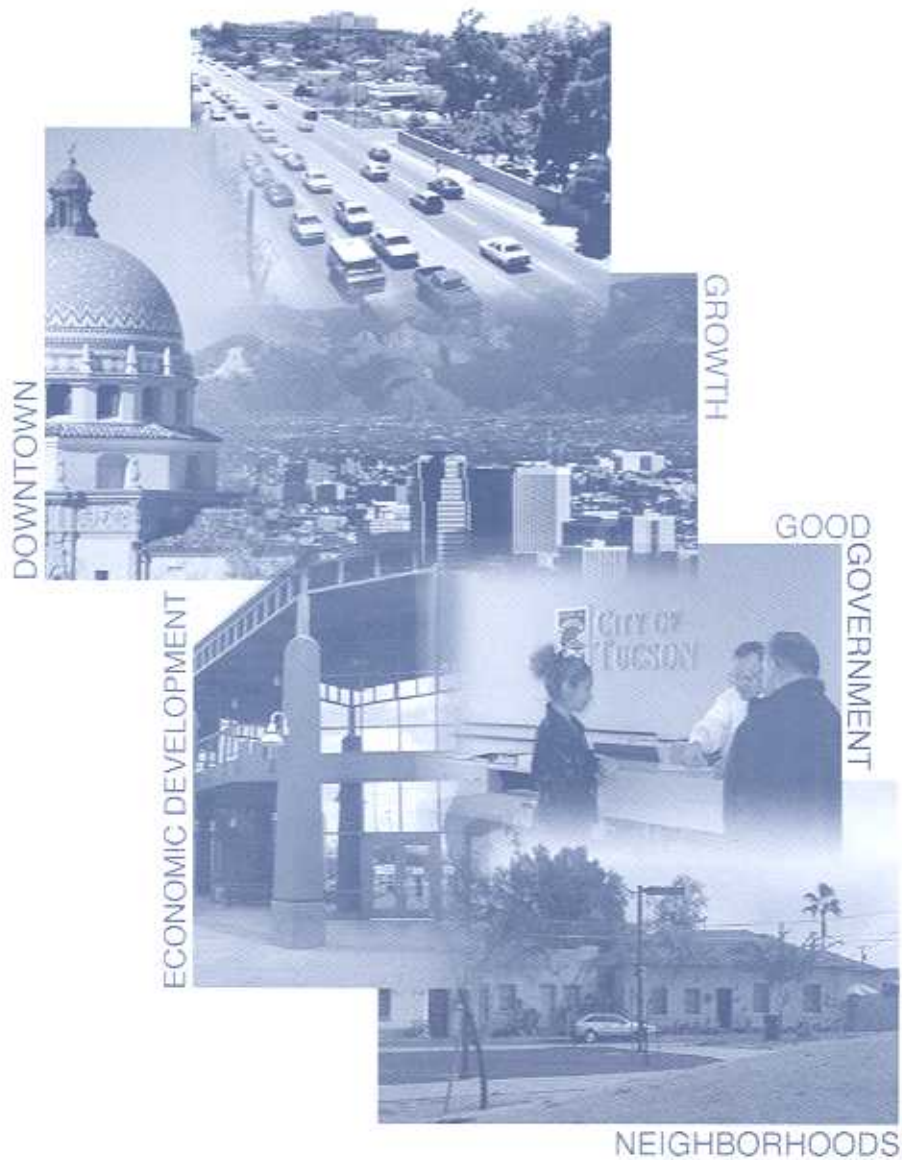
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PROGRAM AREA/PROJECT	ADOPTED FISCAL YEAR 2003			APPROVED	PROJECTED REQUIREMENTS				FIVE
	CARRY FORWARD	NEW FUNDING	YEAR 1 TOTAL	YEAR 2 FY 2004	YEAR 3 FY 2005	YEAR 4 FY 2006	YEAR 5 FY 2007	YEAR TOTAL	YEAR TOTAL
Building Facilities Projects	-0-	-0-	-0-	-0-	22,000.0	22,000.0	22,000.0	66,000.0	66,000.0
Midtown Multipurpose Facility	6,644.9	4,342.3	10,987.2	-0-	-0-	-0-	-0-	10,987.2	10,987.2
Renovation or Relocation of Council Chambers	240.0	3,500.0	3,740.0	-0-	-0-	-0-	-0-	3,740.0	3,740.0
Starr Pass Parking Garage	-0-	1,000.0	1,000.0	4,000.0	-0-	-0-	-0-	5,000.0	5,000.0
TOTAL	6,884.9	8,842.3	15,727.2	4,000.0	22,000.0	22,000.0	22,000.0	85,727.2	85,727.2
Source of Funds									
General Fund - Restricted Trust Reserves	5,619.0	1,031.0	6,650.0	-0-	-0-	-0-	-0-	6,650.0	6,650.0
General Fund - Certificates of Participation	616.6	7,746.3	8,362.9	4,000.0	-0-	-0-	-0-	12,362.9	12,362.9
General Obligation Bond Funds	649.3	-0-	649.3	-0-	-0-	-0-	-0-	649.3	649.3
General Obligation Bond Funds - Interest	-0-	65.0	65.0	-0-	-0-	-0-	-0-	65.0	65.0
Unfunded Requirements	-0-	-0-	-0-	-0-	22,000.0	22,000.0	22,000.0	66,000.0	66,000.0
TOTAL	6,884.9	8,842.3	15,727.2	4,000.0	22,000.0	22,000.0	22,000.0	85,727.2	85,727.2
Inflation Adjustment			-0-	116.5	1,263.0	1,867.0	2,453.0	5,699.5	5,699.5
Annual Operating Cost			-0-	252.0	252.0	252.0	252.0	1,008.0	1,008.0

Section G

Glossary

TRANSPORTATION



GLOSSARY OF TERMS

Term	Definition
ACCOUNTABILITY	The state of being obliged to explain actions to justify what was done. Accountability requires justification for the raising of public funds and the purposes for which they are used.
ACTIVITY	A group of related functions performed by one or more organizational units for the purpose of satisfying a need for which the city is responsible.
ALLOCATION	Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.
ANALYSIS	A process that separates the whole into its parts to determine their nature, proportion, function, and relationship.
ANNUALIZED COSTS	Operating costs incurred at annual rates for a portion of the prior fiscal year that must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.
APPROPRIATION	An authorization granted by the Mayor and Council to make expenditures and to incur obligations for purposes specified in the appropriation resolution.
ASSESSED VALUATION	A valuation set upon real estate or other property by the county assessor and the state as a basis for levying taxes.
BENCHMARKING	The ongoing search for best practices and processes that produce superior performance when adopted and implemented in an organization. For the purpose of bench-marking, only that which you can measure exists.
BENCHMARKS	Measurements used to gauge the city's efforts, both as a community and as an organizational entity, in accomplishing predefined and measurable desired outcomes that have been developed with participation from decision-makers, management, staff, and customers. Benchmark selection requires that you first know what it is you wish to improve, and then the metrics (a means to measure) that will be used.

GLOSSARY OF TERMS

Term	Definition
BIENNIAL BUDGET	A form of multi-year budgeting that covers a two-year period, rather than the one-year period of an annual budget. Each year within the biennial period is budgeted and shown separately within a single budget document published at the start of the first year. At the start of each fiscal year, the Mayor and Council formally adopt each budget within the two-year period in compliance with state budget law. Second year budgets can be adjusted as necessary with the Mayor and Council budgetary policies.
BOND	A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity date), together with periodic interest at a specific rate.
BOND FUNDS	Funds used for the purchase or construction of major capital facilities which are not financed by other funds. The use of bond funds is limited to ensure that bond proceeds are spent only in the amounts and for the purposes authorized.
BOND PROCEEDS	Funds derived from the sale of bonds for the purpose of constructing major capital facilities.
BONDS - GENERAL OBLIGATION	Limited tax bonds which are secured by the city's secondary property tax.
BUDGET	A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.
CAPITAL BUDGET	A financial plan of proposed capital expenditures and the means of financing them.
CAPITAL CARRYFORWARD	Capital funds unspent and brought forward from prior years.
CAPITAL IMPROVEMENT PROGRAM	A plan separate from the annual budget that identifies: (1) all capital improvements which are proposed to be undertaken during a five fiscal year period, (2) the cost estimate for each improvement, (3) the method of financing each improvement, and (4) the planned implementation schedule for each project.

GLOSSARY OF TERMS

Term	Definition
CAPITAL PROJECT	Any project having assets of significant value and a useful life of five years or more. Capital projects include the purchase of land, design, engineering, and construction of buildings and infrastructure items such as streets, bridges, drainage, street lighting, water system, etc. Capital improvements are permanent attachments intended to remain on the land. Capital projects may include the acquisition of heavy equipment and machinery or specialized vehicles using capital funding sources.
CARRYFORWARD CAPITAL IMPROVEMENT PROJECT	Any capital project that has been previously approved by the Mayor and Council, but for various reasons has not been implemented on schedule. Under state law and Generally Accepted Accounting Principles, only those costs relating to work actually done on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, violate state budget law, such a project and the associated projected costs are included in the subsequent fiscal year's budget.
CARRYFORWARD OPERATING FUND BALANCES	Operating funds unspent and brought forward from prior fiscal years.
CERTIFICATES OF PARTICIPATION	A debt financing tool which is used to enable the city to purchase large equipment and improve or construct city facilities. Interest is paid and principal repaid through annual payments made from funds appropriated each fiscal year by the Mayor and Council.
COMMODITIES	Expendable items used by operating departments. Examples include office supplies, repair and replacement parts for equipment, books, and gasoline.
CUSTOMER	The recipient of a product or service provided by the city. Internal customers are city departments, employees, or officials who receive products or services provided by other city departments. External customers are citizens, neighborhoods, community organizations, businesses, or other public entities who receive products or services provided by a city department.
DEBT SERVICE	The amount required to retire the principal and pay the interest on outstanding debt.
ENCUMBRANCES	Obligations in the form of purchase orders, contracts, or other commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise extinguished.

GLOSSARY OF TERMS

Term	Definition
ENTERPRISE FUND	An accounting entity established to account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting.
EQUIPMENT	An item of machinery or furniture having a unit cost of more than \$100 and an estimated useful life of more than one year. Heavy equipment and machinery that are capital improvements are included in the capital budget and are not considered equipment items in the operating budget.
EXPENDITURE	Any authorization made for the payment or disbursing of funds during the fiscal year.
FISCAL YEAR	A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. Fiscal Year 2003, for the City of Tucson, refers to the period July 1, 2002 through June 30, 2003.
FOCUS AREA	Areas selected by the Mayor and Council as part of a strategic planning process that guide city improvement and development efforts for the budget year. For Fiscal Year 2003, the focus areas are Downtown, Transportation, Growth, Neighborhoods, Good Government, and Economic Development (see Vol. 1, "City Strategic Plan" for details).
FULL-TIME EQUIVALENT POSITION (FTE)	A full-time position, or part-time position converted to a decimal equivalent of a full-time position, based on 2,080 hours per year. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 of a full-time position.
FUND	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.
GENERAL FUND	A fund used to account for all general purpose transactions of the city that do not require a special type of fund.
INTER-ACTIVITY TRANSFERS	Transactions between city organizations or funds that would be treated as revenues or expenditures if they involved parties external to the city. Transactions may be charged against other organizations or funds.
MISSION	A succinct description of the scope and purpose of a city department. It specifies the business activities of a department.

GLOSSARY OF TERMS

Term	Definition
NON-PERSONAL SERVICES	Costs related to expendable services, such as supplies, materials, utilities, printing, rent, and contracted and professional services.
NON-RECURRING REVENUE	Proceeds of general obligation bonds, revenue bonds, and other restricted revenue.
OPERATING BUDGET	A financial plan which applies to all proposed expenditures other than for capital improvements.
OPERATING FUNDS	Resources derived from recurring revenue sources used to finance operating expenditures and pay-as-you-go capital expenditures.
ORGANIZATION	The smallest unit of budgetary accountability and control which encompasses specific and distinguishable lines of work performed for the purpose of accomplishing a function for which the city is responsible.
OTHER COSTS	This classification of costs includes Sun Tran expenditures, contributions to outside agencies, and specific federal fund expenditures.
OUTCOME	The result or community benefit derived from programs or services expressed as a measure and used to evaluate quality or effectiveness. Examples of outcomes are the number of traffic signals operating trouble-free on a daily basis and the percent of library customers satisfied with the book collection.
OUTPUT	A quantitative measure of activities or efforts undertaken to provide a service or program. Examples of outputs are the number of responses to emergency 9-1-1 calls and the number of tons of recyclable materials collected.
OUTSIDE AGENCIES	A group of organizations which are neither associated with, nor allocated to, any particular city department. Payments to Other Governments, Economic Development, Cultural Enrichment, Community Health and Safety, Mayor and Council Appointed Commissions, Annual Community Events, and Tucson Community Cable Corporation (Access Tucson) are the major program groupings for outside agencies.
PERFORMANCE MEASURE	An annual indicator of achievement or measure of production for a program or a unit as defined in the organization of the budget. Measures may be expressed as a number count, fraction, or percent of achievement. Examples are the number of water meters read, number of customer calls received, or percent of customers rating the service as “good” or higher.

GLOSSARY OF TERMS

Term	Definition
PERSONAL SERVICES	The costs of compensating employees of the City of Tucson, including salaries and employee benefit costs, such as health, dental, and life insurance, city contributions for retirement, social security, and workers' compensation insurance.
PRIMARY PROPERTY TAXES	All ad valorem taxes, except the secondary property taxes, which can be used for any lawful purpose.
PROGRAMS	Desired output-oriented accomplishments which can be measured and achieved within a given time frame. Achievement of the programs advance the activity and organization toward fulfillment of a corresponding need.
PROJECTS	Unique assignments having a finite time span and a deliverable; normally associated with capital improvements such as roadway, neighborhood facilities, etc.
RECURRING REVENUES	Revenue sources available on a continuing basis to support operating and capital budgetary needs.
RESTRICTED REVENUES	Revenues which are legally restricted for a specific purpose by the federal, state, or local governments.
REVENUES	Income from taxes and other sources during the fiscal year.
SECONDARY PROPERTY TAXES	Ad valorem taxes or special property assessments used to pay the principal, interest, and redemption charges on any bonded indebtedness or other lawful long-term obligation issued or incurred for a specific purpose by a municipality, county, or taxing district; and assessments levied by or for assessment districts and for limited purpose districts other than school districts and community colleges pursuant to an election to temporarily exceed (up to one year) budget, expenditure, or tax limitations.
SECONDARY TAX RATE	The rate per one hundred dollars of assessed value employed in the levy of secondary property taxes. The assessed value derived from the current full cash value (market value) is the basis for computing taxes for budget overrides, bonds, and for sanitary, fire, and other special districts.
SERVICES	Costs which involve the performance of a specific service by an outside organization or other city organization. Examples of services include consultants, utilities, and vehicle maintenance.

GLOSSARY OF TERMS

Term	Definition
SIGNIFICANT CHANGES	Explanations of financial differences between the current fiscal year adopted and the future fiscal year recommended or adopted budget amounts. The City of Tucson's biennial budget also includes explanations of the differences between the first and second year budgets.
STREET AND HIGHWAY BONDS	Revenue bonds which are secured by the city's Highway User Revenues and used for the construction of street, highway, and related capital projects.
TAX LEVY	The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.
TAX RATE	The amount of tax levied for each one hundred dollars of assessed valuation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In Fiscal Year 2002, the City of Tucson implemented a major change in its financial statement presentation in compliance with Governmental Accounting Standards Board (GASB) Statement 34. The new rules changed the way state and local governmental financial information is communicated to citizens, the media, creditors, bond raters, and legislative oversight bodies. In addition to changes to the specific financial statements, a narrative analysis of the fiscal year's financial activities is also presented.

The basic financial statements now include both government-wide financial statements, which focus on the city as a whole, and fund financial statements, which focus on major individual funds. Both of these sets of statements categorize primary activities of the city as either governmental or business type.

The government-wide Statement of Net Assets uses a full accrual, economic resources basis of accounting, which reflects all long-term debt and assets and incorporates depreciation of capital assets. This statement presents both governmental and business-type activities on a consolidated basis by column. Current year activity is displayed by functional category (e.g., Support Services, Neighborhood Services) and shows the gross cost of each function, the amount that gross costs are offset by program-related revenues (charges for services and grants), and the amount that is supported by general government revenues (e.g., taxes).

In contrast, the fund financial statements use an accounting treatment similar to previous years. In the major fund statements within the fund financial statements, business-type activities are presented in the same manner as within the government-wide statements, i.e. full accrual basis. Governmental funds are presented on a current financial resource and modified accrual basis of accounting. This presentation is considered appropriate to demonstrate both legal compliance and how the city's actual experience conforms to the budget.

The primary difference between the fund financial statements and the previous Generally Accepted Accounting Principles (GAAP) presentation is that the emphasis is now on the major funds in either the governmental or business-type categories, with non-major funds summarized into a single column. The previous accounting model grouped funds by types, such as special revenue, capital projects, etc.

BASIS OF ACCOUNTING FOR BUDGETARY PURPOSES

In the "Required Supplementary Information" section, the city presents budgetary comparisons for the General Fund and any major special revenue funds; both the adopted and revised budgets are compared with actual figures on a GAAP basis. In the "Other Supplementary Information" section, the revised budgets for the non-major and enterprise funds are compared to actual GAAP figures. The city's budget basis of accounting differs from GAAP requirements in the following ways:

- Grant revenues are budgeted on a modified cash basis rather than a modified accrual basis.
- Fund balances reserved for inventories are not recognized in the budget.
- Certain expenditures (e.g., depreciation in proprietary funds) and revenues accrued under GAAP are not recognized on a budgetary basis.
- Certain funds (e.g., internal service, trust, and agency funds) that must be reported under GAAP are not included in the budget.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting for Budgetary Purposes (Continued)

Additional differences between budget and GAAP presentations are in how encumbrances and compensated absences are treated, as addressed below.

ENCUMBRANCES

The City of Tucson integrates encumbrance accounting into its budgetary methods for most governmental and proprietary fund types. Following GAAP, encumbrance accounting records purchase orders, contracts, and other commitments for the expenditure of monies as reservations of fund balance in the fund financial statements of governmental-type funds. Encumbrances outstanding at year-end are not recognized as expenditures for budgetary purposes. Funds appropriated for these commitments can be carried forward and rebudgeted the following fiscal year.

COMPENSATED ABSENCES

In the fund financial statements, the cost of employee vacation leave, sick leave, accumulated compensatory time, and any salary-related amounts are accrued in the proprietary funds as earned.

INVESTMENT POLICY

The City Charter and state statutes authorize the city to invest in obligations of the U.S. Government, its agencies and instrumentalities, money market funds consisting of the above, repurchase agreements, bank certificates of deposit, commercial paper rated A-1/P-1, corporate bonds and notes rated AAA or AA, and the State of Arizona Local Government Investment Pool. Investment maturities are scheduled so that maturing principal and interest, plus ongoing, non-investment, cash flow is sufficient to cover projected payroll, operating, and capital expenses as these become payable. Funds available for the day-to-day operation of the city may be invested in authorized investments with a final maturity not exceeding three years from the date of the investment. Monies not related to the day-to-day operation of the city, such as bond proceeds, may also be invested for a maximum of three years with maturities based upon anticipated needs.

ACRONYMS

Acronym	Description
ADA	Americans with Disabilities Act
ADEQ	Arizona Department of Environmental Quality
ADOT	Arizona Department of Transportation
APAs	Action Plan Areas
ARFF	Aircraft Rescue and Firefighting Facility
ARS	Arizona Revised Statutes
ATLAS	Advanced Traffic and Logistics Algorithms and Systems
AVL	Automated Vehicle Location System
AZ	Arizona
AZ POST	Arizona Peace Officers Standards and Training Board
CALEA	Commission on Accreditation for Law Enforcement Agencies
CAP	Central Arizona Project
CAVSARP	Central Avra Valley Storage and Recovery Project
CAWCD	Central Arizona Water Conservation District
CBC	Capital Budget Committee
CDBG	Community Development Block Grant
CFMS	Community Facilities Management Strategy
CFR	Child and Family Resources
CIP	Capital Improvement Program
CMP	Community Mediation Program
CNG	Compressed Natural Gas
COBRA	Consolidated Omnibus Budget Reconciliation Act of 1985
CODIS	Convicted Offender DNA Indexing System
COPS	Certificates of Participation
COTA	Correctional Officers Training Academy
CPAC	Citizen Participation Advisory Committee
CPC	Crime Prevention Council
CPI	Consumer Price Index
CRRF	Clearwater Renewable Resource Facility
CWAC	Citizens' Water Advisory Committee
DBE	Disadvantaged Business Enterprise Program
DEA	Drug Enforcement Administration
DES	Department of Economic Security
DMAFB	Davis Monthan Air Force Base
DNA	Deoxyribo Nucleic Acid
DNR	Department of Neighborhood Resources
DOT	Department of Transportation
DUI	Driving Under the Influence
EEC	Economic Estimates Commission
EM	Environmental Management
EOO	Equal Opportunity Office
EPA	Environmental Protection Agency

ACRONYMS

Acronym	Description
FPA	Financial Participation Agreement
FSS	Family Self-Sufficiency
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GABA	Greater Arizona Bicycling Association
GAPIT	Graffiti Abatement Program in Tucson
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GIS	Geographic Information System
GO	General Obligation
GREAT	Gang Resistance Education and Training
GTEC	Greater Tucson Economic Council
GTSPED	Greater Tucson Strategic Partnership for Economic Development
HELP	Highway Expansion and Extension Loan Program
HIDTA	High Intensity Drug Trafficking Areas
HOPE	Housing Opportunities for People Everywhere
HSSA	Humane Society of Southern Arizona
HUD	Department of Housing and Urban Development
HURF	Highway User Revenue Fund
HVAC	Heating, Ventilation, and Cooling Equipment
ICMA	International City/County Management Association
I-Net	Institutional Network
IT	Information Technology
ITASA	Information Technology Association of Southern Arizona
ITS	Intelligent Transportation System
LED	Light Emitting Diode
LIFT	Literacy Involves Families Together
LINC	Learning, Investment, Networking and Collaboration
LLEBG	Local Law Enforcement Block Grant
LPGA	Ladies Professional Golf Association
LTAF	Local Transportation Assistance Fund
MANTIS	Metropolitan Area Narcotics Trafficking Interdiction Squad
MAST	Multi-Agency Surveillance Team
MEC	Metropolitan Education Commission
MOU	Major Offenders Unit
MWBE	Minority and Women Owned Business Enterprise Program
NAPCOR	National Association of PET Container Resources
NCAA	National Collegiate Athletic Association
NETeams	Neighborhood Enhancement Teams
NFIRS	National Fire Incident Reporting System
NIEA	National Indian Education Association

ACRONYMS

Acronym	Description
NRT	Neighborhood Resource Team
NTMP	Neighborhood Traffic Management Program
OD	Organizational Development
OED	Office of Economic Development
OEM	Office of Emergency Management
OPIS	On-line Procurement Integration System
OSHA	Occupational Safety and Health Administration
O&M	Operating and Maintenance
PACC	Pima Animal Control Center
PAG	Pima Association of Governments
PAU	Paramedic Assessment Unit
PBAA	Perimeter Bicycling Association of America
PC	Personal Computer
PCE	Perchloroethylene
PCOA	Pima Council on Aging
PET	Polyethylene Terephthalate
PGA	Professional Golfers' Association
PROST	Parks, Recreation, Open Space, and Trails
RFP	Request for Proposals
RHODES	Real-time Hierarchical Optimized Distributed Effective System
RUMBA	Re-Used Materials Becoming Art
SABER	Slum Abatement and Blight Enforcement Response
SBA	Small Business Administration
SCAT	Sister Cities Association of Tucson
SCORE	Service Corps of Retired Executives
SEMAP	Department of Housing and Urban Development Section 8 Management Assessment Program
SORT	Sexual Offenders Registered Tracking
SRO	School Resource Officer
SWAT	Special Weapons and Tactics
SWMD	Solid Waste Management Department
TARP	Tucson Airport Remediation Project
TBG	Tucson Botanical Gardens
TCC	Tucson Convention Center
TCCC	Tucson Community Cable Corporation (Access Tucson)
TCG	Tucson City Golf
TDOT	Tucson Department of Transportation
TEA-21	Transportation Equity Act for the Twenty-First Century
TEAM	Transportation Enterprise Area Management
TelePAC	Telecommunications Policy and Advisory Committee
TEP	Tucson Electric Power
TFD	Tucson Fire Department
TICET	Tucson Inner City Express Transit
TPAC	Tucson-Pima Arts Council

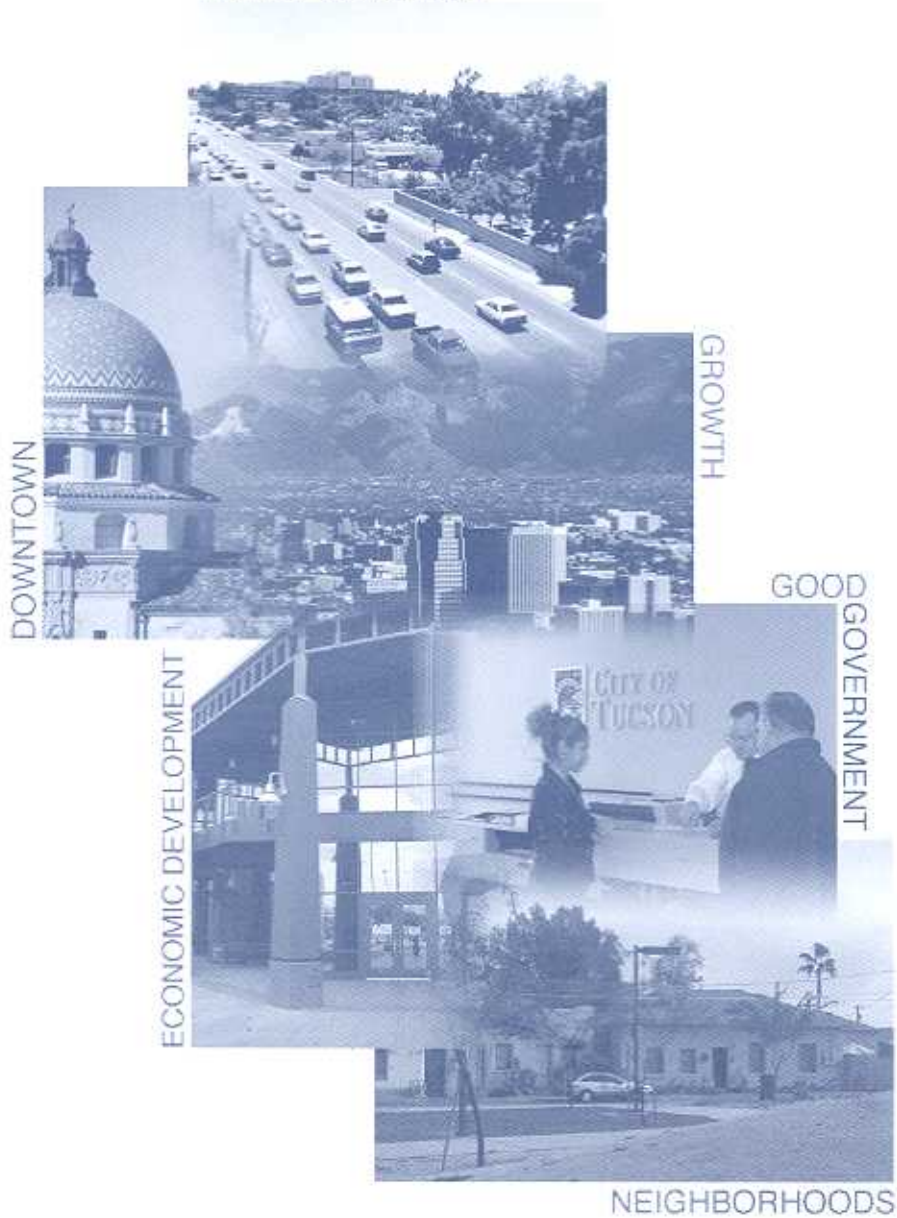
ACRONYMS

Acronym	Description
TPD	Tucson Police Department
TPPL	Tucson-Pima Public Library
TSMS	Tucson Stormwater Management Study
TSRS	Tucson Supplemental Retirement System
TTSPS	Tucson Transportation System Planning Study
TUSD	Tucson Unified School District
VLT	Vehicle License Tax
WASH	Watercourse Amenities Safety and Habitat
WIFA	Water Infrastructure Finance Authority
WOW	WideOpenWest
WQARF	Water Quality Assurance Revolving Fund
WRITE	Waste Reduction Initiative Through Education
YMCA	Young Men's Christian Association
YO	Youth Opportunities Grant

Section H

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TRANSPORTATION



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